



*Advocacy & Benefits Counseling for Health, Inc.
Serving Wisconsin Families Since 1994*

Birth Cost Recovery Update - "The Birth Tax"

July 22, 2020

Hello Partners,

ABC for Health continues to track birth cost recovery policy in Wisconsin. We call the policy the "birth tax," due to the harsh and often unexpected financial impact on unmarried pregnant women and families seeking BadgerCare Plus in Wisconsin. Counties have certain flexibility in implementing this policy and recently some, like Dane County, have abolished the practice. Others, like Milwaukee County, continue to debate the inequities and practice of collecting the Birth Tax.

Update: Milwaukee County Board Will Vote on the Birth Tax Resolution Thursday

The [Resolution](#) requesting the Milwaukee County Department of Child Support Services discontinue the discretionary practice of pursuing birth cost recovery collections in child support cases in Milwaukee County will go back before the full Milwaukee County Board of Supervisors for the second time on Thursday, July 23, 2020 at 9:30am. You can watch the meeting via [live stream](#).

The Resolution appears as [item 14 on the robust Board Agenda](#). It appears with its mixed history in Committees: a recommendation of **adoption** from the Health and Human Needs Committee in May, and a recommendation of **rejection** from the Finance Committee in July.

The last time the Resolution was before the full County Board, it was called out to be set aside for separate action from the balance of the Committee reports (which were voted on in broad aye or no votes.) In so doing, it got separate discussion. Health and Human Needs Committee Chairperson Supreme Moore Omokunde spoke up in that discussion, saying there are other ways BadgerCare can be made more whole other than having individuals paying Birth Costs to the state. Even more, fewer of those dollars are going to mothers or caregivers.

Health and Human Needs Committee member Supervisor Ryan Clancy said "the very concept of birth cost recovery seems flawed." He continued, "Unfortunately, some of that conversation focused on money going to child support and sent to BadgerCare. He clarified that both are good programs, but birth cost recovery "shouldn't be how child support is paid for." He repeated, "Birth Cost Recovery is flawed," and he urged the Board to not send the Resolution to the Committee on Finance. Clancy was concerned that there was no demographic data shared from the Child Support Office on who is shouldering this expense.

The Resolution was, nevertheless, referred to the Finance Committee, where the conversation was directed by Child Support Service Director Jim Sullivan. Sullivan said he opposed the Resolution, saying "now is not the time" to consider eliminating Birth Cost Recovery, because of the fiscal impact it would have on the county child support office FTEs.

Sullivan failed to mention the negative financial impact of the Birth Tax collections process upon mostly low income families and communities of color in Milwaukee. The Committee also failed to discuss the impact of the Birth Tax on low income pregnant women seeking BadgerCare Plus or Medicaid – perhaps foregoing prenatal care and health coverage because of the threat of collection against a partner, nor the racial disparities of women asked to comply with the policy, sanctions for pregnant women not cooperating, or the potential impact on birth outcomes.

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Next Steps:

The Resolution goes before the full County Board of Supervisors for a vote on Thursday, July 23, at 9:30am. It appears as [Agenda item 14](#). You can watch the live stream of the meeting:

<https://milwaukeecounty.legistar.com/Calendar.aspx>

This update is for informational purposes only.

Regards,

[Brynne McBride](#)

ABC for Health, Inc.