

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

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## Milwaukee County Eliminates Birth Tax Inequity

Madison, WI – ABC for Health, Inc. celebrates the expungement of over \$67 million in medical debt actions against young families in Milwaukee County for birthing expenses. "This is a major policy victory," says Brynne McBride, Public Interest Attorney at ABC for Health, Inc., reacting to the <a href="mainto-announcement">announcement</a> from Milwaukee County Executive Crowley and Department of Health and Human Services that they fulfilled a promise to expunge inequitable birth cost recovery judgments.

Dubbed "the Birth Tax" by ABC for Health, the birth cost recovery policy is a county-driven medical debt collections process that affects pregnant persons across Wisconsin, especially women of color. ABC for Health staff first identified the inequitable policy in the 1990s. After years of incremental policy changes, in 2024 the Milwaukee County Budget eliminated the unjust and racially inequitable policy against unmarried parents under the leadership of Supervisor Caroline Gomez-Tom.

County Child Support offices enforce the policy. However, McBride says the Birth Tax is NOT child support, but rather "an inequitable medical collections process" coordinated by state agencies and run by counties to recover birth expenses for unmarried people on Wisconsin Medicaid." In fact, none of the money collected directly supports children or the affected families. The policy disproportionately impacts families of color. Moreover, the policy contributed to prenatal stress, a known contributor to poor birth outcomes and infant mortality.

"We applaud the County Board and County agencies that acted to eliminate over \$67.2 million in medical debts. We understand they closed almost 51,000 cases against almost 33,000 family members or families," says McBride. "Other counties should take note," she adds. "Absent state action, other counties like Brown, Racine, Kenosha, Eau Claire, Winnebago, and Outagamie Counties need to end the Birth Tax and these inequitable county-sponsored medical debt collections actions."

McBride says they are keeping a close eye on Dane County, which through a budget process also pledged to eliminate old BirthTax judgments. "They need to be held accountable to do this quickly, following Milwaukee's example, instead of slow-walking this policy implementation and prolonging the harm to unmarried families on Medicaid in the county."

<u>ABC for Health, Inc.</u>, is a Wisconsin-based, nonprofit, public interest law firm that promotes health equity and social justice. ABC for Health helps clients impacted by health disparities due to income, race, or poverty to connect to health care coverage and services in Wisconsin. ABC for Health's mission is to provide information, advocacy tools, legal services, and expert support needed to obtain, maintain, and finance health care coverage and services.

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