



Birth Cost Recovery Update
"The Birth Tax"
November 26, 2019

Hello Partners,

As you know, ABC for Health has been, and continues to be, dedicated to following the birth cost recovery policy in Wisconsin. This policy, which we refer to as the birth tax, is one that is especially important to keep our partners engaged and up to date as we work to eliminate the policy statewide. This email contains an update on recent BCR success in Dane County, a highlight of current and upcoming projects ABC is working on with State Office of Minority Health support, and a legislative update.

Important Dane County News: Dane County has eliminated birth cost recovery collections. Effective January 1, 2020, Dane County will no longer collect birth costs from families whose birth was funded by Medicaid. Confirmation came in last week from the Dane County Executive's office that, after recent deliberations and votes, the County Board of Supervisors approved Dane County Executive Joe Parisi's proposed provision to eliminate birth cost recovery collection activates in Dane County. This is a huge step for Dane County – and one other counties across Wisconsin can emulate. We hope this change will help close the gaps in racial and economic disparities in our community, but there is still much more work to do. Some Families still have outstanding Birth Tax judgments and collection actions that remain from previous years. The judgments lead to tax intercepts of refunds, garnished wages, or sanctions on a mother's Medicaid because of this policy. We will continue to follow the elimination of the birth cost recovery policy in Dane County and bring you updates in a future Partners Update.

Pro Bono Legal Assistance Continues: The Quarles & Brady Law Firm, under the stewardship of Attorney Richie Davis (and former ABC legal intern!), will continue to evaluate and accept cases for pro bono representation of clients facing birth cost recovery judgments. Through our partnership, ABC staff will identify screen and refer potential clients to Quarles for possible representation related to the birth cost recovery issue. ABC attorneys will be available to consult Quarles attorneys in order to provide advice and information, as needed, based on our organizational knowledge and experience.

Office of Minority Health Grant: Last month, ABC for Health received a Wisconsin Office of Minority Health Community Grant to support the project, "Family Stories: Birth Cost Equity for Unmarried Women and Families." We will focus efforts on Dane and Milwaukee, with three main objectives: 1.) Collect and share family stories of the negative consequences of the birth tax. We will activate our partner networks to amplify these stories. Our action steps include cataloging incoming family stories to share via social media posts and video testimonials with peers, legislators, and the media. 2.) Conduct education and outreach to individuals, families, and professionals. The family stories will also help inform some of our education and teaching materials. 3.) Working with families subject to the birth tax to make sure they know their rights and responsibilities, especially if summonsed to a hearing.

We also ask that if you, in the weeks ahead, encounter families who are dealing with birth cost recovery that you share those stories with us or refer the families to us to share their story directly.



Legislative Updates:

There was no action taken on [SB 350](#) or [AB 103](#) before the legislative session ended. These companion bills focused on eliminating the Administrative Rule limitation on recovery of birth costs. (As you may recall, a new Administrative Rule took effect in 2018 that provided that collection of birth costs was inappropriate in intact families.) The legislation to repeal that Administrative Rule passed the Senate Committee on Universities, Technical Colleges, Children and Families with an Amendment added, and made it as far as the fiscal estimate and offering of amendments in the Assembly Committee on Family Law before the session ended. No action was taken before the full Senate or Assembly.

This update is for informational purposes only.

Thank you, and Happy Holidays!

Regards,

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