

## Legislature's Health Budget – Missed Opportunities for a Healthier more Equitable Wisconsin

The legislature's Joint Finance Committee put forward a budget that in many ways continues the status quo while providing substantial increases for personal care services and boosting funding for certain Medicaid providers, such as dentists and emergency physicians. It also increases funding for hospitals, nursing homes, and behavioral health. However, the budget misses many opportunities to expand access to health care by rejecting BadgerCare expansion and does very little to address health disparities or maternal and child health. It further fails to pass health insurance consumer protections, allow reimbursement for community health workers and doula services, invest in public health, and expand treatment for children with high blood-lead levels.

### Little effort to expand access to care & coverage

- **Rejecting BadgerCare Expansion** – The legislature's Joint Finance Committee removed BadgerCare expansion from budget considerations, thereby rejecting expansion of coverage and turning down increased federal revenue that would save Wisconsin taxpayers more than \$1.6 billion over the first two years. This decision leaves 90 thousand adults without access to BadgerCare, and about half of them are currently uninsured.
- **Scrapping most proposals to improve insurance for Marketplace enrollees** – The Joint Finance Committee rejected the governor's proposal to develop a program to help lower out-of-pocket costs for lower-income people on the Marketplace, as well as initiatives to start development of a public option and transition to a state-based insurance marketplace.

The committee increased funding the Health Care Stability Plan to \$230 million per year. This reinsurance program helps lower premiums for some by helping insurers pay for high health care costs. Because of how the ACA is structured, this mainly benefits the roughly 2 out of 10 marketplace participants who are not receiving financial assistance through the ACA.

- **New funding for children with long-term support needs, but doesn't guarantee access to services** – The Joint Finance Committee proposed sufficient funding to cover the costs of children currently on the Children's Long-Term Support program waiting list, but unlike the governor's budget did not change the law to assure that all eligible children receive services. As a result, despite the additional funding, when more families apply for support their children will likely find themselves on a waiting list for services.
- **Borrowing to expand broadband and no action to improve telehealth** – The committee removed the governor's recommendation that insurance carriers cover telehealth services and voted to borrow \$125 million to expand access to broadband throughout the state.

## **Raising reimbursement rates for providers**

- **Increasing Access to Dental Services** - The Joint Finance Committee allocated \$46 million over the biennium, which amounts to a 40 percent rate increase for dentists who serve Medicaid patients. The committee took no action to license dental therapists.
- **Funding for hospitals** - The governor's budget provided a \$321 million increase for hospitals that serve patients enrolled in Medicaid, including increases for urban, rural, and children's hospitals. Much of the funding was contingent upon expanding BadgerCare and capturing the additional federal funding the Affordable Care Act provides to expansion states.

The Joint Finance Committee allocated a similar level of funding for disproportionate share hospital payments, approximately \$100 million over the biennium. However, because the committee refused to expand BadgerCare, their budget does not include the nearly \$220 million of additional federal funding for hospitals.

- **Boosting Medicaid Rates, but refusing to expand covered benefits** - The budget committee did not expand Medicaid's covered benefits, such as paying for community health workers, but it did fund increases for outpatient mental health and substance use treatment, emergency physicians, autism treatment, and medication-assisted treatment; all of which were more modest than what the governor proposed. The committee also included increases for ambulance services, chiropractic and physical therapy.
- **Additional Funding for Caregivers** – The committee allocated nearly \$435 million to increase rates for nursing homes, personal care services, direct care providers in Family Care. It also provided funding to increase access to dementia care specialists. However, the committee did not take any action to support caregiving other than raising rates, and it did not invest in aging and disability resource centers.

## **Failure to invest in health equity & public health**

- **Budget committee rejects efforts to support maternal and child health** - The governor's budget proposed nearly \$30 million to support maternal and infant health, specifically aimed at addressing Wisconsin's severe racial disparities in infant and maternal health. His proposal included funding to expand postpartum coverage from two months to one year for people in BadgerCare, covering doula service for Medicaid patients, and allocating millions to Black-women led organizations to improve health equity and birth outcomes.

The legislature's budget committee extended BadgerCare postpartum coverage only for an additional 30 days rather than the year that a wide array of stakeholders have called for. Further, it refused to fund any other efforts to address maternal and child health or health disparities.

- **Smaller increases for community health centers & free and charitable clinics** – The budget committee increased funding for community health centers and free and charitable clinics by \$2 million each during the two-year budget period. Community health centers and free and charitable clinics are vital sources of care for people who are uninsured or underinsured.
- **Little to address lead poisoning** – Despite the high rate of children with lead poisoning in Wisconsin, the budget committee did not authorize additional funding or make it easier for children to receive treatment through the Birth to Three program. The committee did not continue funding for an initiative under the Children's Health Insurance Program to offer lead

abatement services for eligible families; however, they did increase lead screening and outreach funding to \$175,000 to serve the city of Milwaukee.

### **Access to behavioral health treatment & regional crisis services**

- **Access to Mental Health and Substance Use Services** - In addition to increasing Medicaid reimbursement rates for mental health and substance use care, the budget committee provided modest funding increases for crisis intervention training, expanded functionality of a real-time “bed tracker,” and increased support for the child psychiatric consultation program. They declined to provide additional support for peer-run respite phone support, residential treatment, and services for people who are deaf and/or hard of hearing.
- **Regional crisis services grants** - The Joint Finance Committee’s budget allocates \$10 million in grant funding for regional crisis stabilization facilities, and directs the Department of Health Services to define the scope and role regional crisis stabilization facilities will play. The budget committee did not take steps to reform the emergency detention process.