

Governor Evers' 2021-2023 Biennial Budget Access and Affordability

Karen Timberlake, Interim DHS Secretary March 22, 2021

Nathan Houdek, Deputy Insurance Commissioner



Agenda

- Discussion of Key Budget Provisions in Governor Evers' Proposed 2021-23 Budget
 - Overview of DHS provisions
 - Overview of OCI provisions
- Questions and Next Steps

People First

- Invests in Coverage and Communities
- Invests in Behavioral Health
- Invests in Public Health and Long-Term Care



Budget Materials

- DHS Budget Website: https://www.dhs.wisconsin.gov/ budget/index.htm
- DHS Budget Fact Sheets: <u>https://www.dhs.wisconsin.gov/budget/resources.htm</u>
- OCI Budget Website: <u>oci.wi.gov/Pages/AboutOCI/Bu</u> <u>dget.aspx</u>

People First: Governor Evers' Proposed Budget

Wisconsin faces unprecedented challenges. Governor Evers' proposed 2021-2023 budget puts people first by increasing and improving access to health care, expanding behavioral health services, protecting our neighbors most in need, and ensuring our public health system is robust and responsive. Now is a time for bold action, and instead of retracing our steps to go back to the way things were, we will bounce back a safer, healthier, and more equitable state. Together, we commit to putting people first to meet our challenges moving forward.

Governor Evers' proposed budget puts the people of Wisconsin first.



Many individuals and families cannot afford health insurance in our state. This is a critical need for too many people in Wisconsin, and the situation is especially urgent for Wisconsin's communities of color. We must take action. Governor Evers' budget invests in access to affordable health care and commits to policies and funding designed to break down structural inequities and improve health outcomes.



To ensure the right supports are available at the right time for all Wisconsin residents, we are building an integrated behavioral health system that provides prevention, intervention, and treatment services to individuals across their life span in their communities. Governor Evers' budget invests in behavioral health and substance use disorder services because these services are essential to overall wellness.



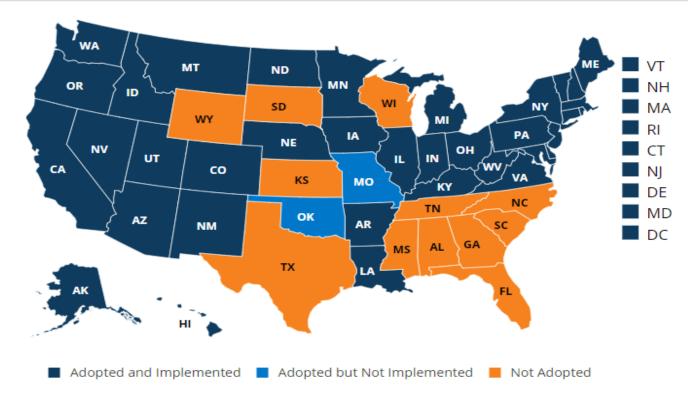
The COVID-19 pandemic has further highlighted the importance of community preparedness and high quality care for Wisconsin residents of all ages. To rebuild together, Governor Evers' budget invests in our public health and long-term care systems, ensuring every Wisconsinite can live their best life.

Expanding and Enhancing Access through Medicaid

Medicaid Expansion

- State GPR Savings \$1.6 billion
- Expands coverage to approximately 90,000 Wisconsinites
 - Approximately 50,000 of those individuals are currently uninsured

Status of State Action on the Medicaid Expansion Decision



SOURCE: "Status of State Action on the Medicaid Expansion Decision," KFF State Health Facts, updated March 12, 2021. https://www.kff.org/health-reform/state-indicator/state-activity-around-expanding-medicaid-under-the-affordable-care-act/

Provider Reimbursement

- Payments to Hospitals- \$321 million
- Critical Access Payments for Medicaid Dental Providers- \$35.9 million
- Medicaid Rate Increases \$14.7 million
 - Speech Language Pathology
 - Audiology
 - Emergency Room Physicians

New or Expanded Services

- Community Health Workers \$29.3 million
- Community Health Benefit \$25.5 million
- Post-partum coverage for pregnant women -\$21 million
- Coverage for doula services \$1 million

Strengthening the Private Insurance Market

Badger Coverage Plan

- Transition to a State-Based Exchange by PY2024
- Create a targeted premium assistance program
- Design and develop a Public Option plan by PY2025
 - Require a Public Option be implemented by Jan 1, 2022 if ACA is repealed

Strengthen Consumer Market Protections

- Enhance Short Term, Limited Duration (STLD) Plan Regulation
- Prohibition on Balance/Surprise Billing
- ACA Issuance and Coverage Protections
 - Pre-existing condition protections, guaranteed issue, coverage of essential health benefits, prohibition on lifetime or annual limits, etc.

Telehealth Parity

- Require telehealth coverage if treatment/service is covered in-person
- Prohibit higher cost sharing or medical management for telehealth vs. in-person care

Wisconsin Healthcare Stability Plan

Fully-fund the WIHSP (\$58M GPR; \$142M FED annually)

Prescription Drug Affordability

Lower Prices & Control Costs

- Prescription Drug Affordability Review Board
- Prescription Drug Importation Program
- State Prescription Drug Purchasing Entity
- \$50 co-pay cap for insulin
- Prohibit co-pay accumulators for drug discounts
- Real-time patient pharmacy benefit tool

Prescription Drug Affordability

Increase Transparency & Protect Consumers

- Office of Prescription Drug Affordability
- Deceptive marketing and advertising practice protections
- Transparency and reporting across the supply chain
- Increase oversight and require licensure of PBMs,
 PSAOs, PBM brokers, and pharmaceutical sales reps
- Require hospital reporting for 340B program
- Require PBM fiduciary duty to plan sponsors

Prescription Drug Affordability

Access for Wisconsin's Most Vulnerable

- Insulin Safety Net Program
- WI Drug Repository Program enhancements
- Prohibit discriminatory reimbursement in 340B program
- Pilot program to develop a value-based formulary for diabetes medication
- Allow pharmacists to earn 10 hours CE for volunteering at free & charitable clinics

Other Key Areas of the DHS Budget

Advancing Equity

- Free and Charitable Clinics and Community Health Centers - \$8 million
- Health Equity Community Grants \$15 million
- Minority Health Grants \$8 million

Investing in Public Health

- State and local communicable disease response -\$13.6 million
- Protecting kids from lead hazards
 - Expansion of Birth to 3 program \$9.9 million
- Tobacco prevention

Improving Access to Behavioral Health Services

Increased Funding and New Services

- Medicaid Rates for Behavioral Health and Suicide Prevention Services - \$40 million
- Supporting Local Crisis Response \$17.6 million

Treating and Preventing SUD

- Room and Board for Residential Substance Treatment -\$6.5 million
- Improve Access to Medication-Assisted Treatment -\$12.4 million

Supporting Caregivers and Long Term Care Providers

Supporting Older Adults in the Community

- ADRC funding- \$7 million
- Dementia Care Specialists \$3.5 million

Medicaid Funding

- Nursing Home rate increase \$241 million
- Payments for Direct Care \$155.6 million

Next Steps/Discussion

Bounceback Live Sessions



Accessible and Affordable Healthcare March 25th @ 6pm

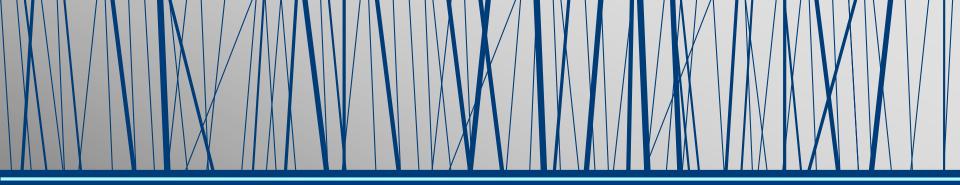
https://evers.wi.gov/Pages/BudgetListeningSessions.aspx

Topics: expanding access to quality, affordable healthcare, protecting people who have preexisting conditions, investing in mental health services, Medicaid/BadgerCare expansion, caregiving, and long-term care for aging and older adults and folks with disabilities.

Other Stakeholder Webinars

- 3/17, 9:30a-10:30a: Pu
- 3/18, 10:00a-11:00a:
- 3/19, 10:00a-11:00a:
- 3/22, 1:00p-2:00p:
- 3/24, 3:30p 4:30p:
- 3/26, 9:00a-10:00a:
- 3/26, 3:30p-4:30p:

- Public health and health equity
- Behavioral health
- LTC Organizations
- **Health Care Consumer**
- **Organizations**
- Counties
- **Providers**
- Tribes and Tribal Organizations



Thank you!

<u>www.dhs.wisconsin.gov/budget</u> <u>oci.wi.gov/Pages/AboutOCI/Budget</u>

Sam Austin - Samuel. Austin @dhs. Wisconsin.gov Beth Wikler - Elizabeth. Wikler @dhs. Wisconsin.gov

