

Summary of Proposed Investments in Health to Fight COVID-19

Governor Evers has proposed changes to Medicaid, significant increases in public health, and health care to protect Wisconsinites during the coronavirus pandemic. The package includes more funding, support, and flexibility for state and local public health agencies. It includes two crucial changes to laws governing Medicaid, and consumer protections for people with private health insurance. The legislation is broader than health, but here we summarize the health-related aspects of the governor's proposed response to the coronavirus pandemic.

Crucial Changes to Medicaid Regulations

Suspend or repeal "lame duck" law to qualify for increased federal funding

Congress temporarily authorized a significant increase in Medicaid funding, so that states could better meet rising enrollment and costs during this crisis. To receive those increased funds, states need to agree to make certain changes that will protect people enrolled in Medicaid. Most state administrations can make these changes on their own; however, because of a state law passed in December 2018, the Evers administration cannot change rules for Medicaid. If state lawmakers do not repeal or suspend this law, it could cost Wisconsin \$50 million per month. Because states receive Medicaid funds quarterly, the cost of not complying by the April 16 deadline would be at least \$150 million, but could easily be double or triple that amount. The legislation includes language that would allow the administration to make minor changes necessary to qualify for the enhanced funding.

Allow the Evers administration to adapt Medicaid to better respond to the public health crisis.

45 states have already asked the federal government to approve temporary changes to Medicaid to make it a stronger tool for fighting the pandemic, but the same state law blocks the Wisconsin Department of Health Services (DHS) submitting similar requests. The proposed legislation would allow DHS to submit waivers to the federal government to adapt Medicaid so it works better during a public health emergency.

Investments in Public Health

\$17 M to Support County Public Health Departments

Local public health departments are often on the front lines in responding to health emergencies. They play a vital role keeping people informed and protected. This funding would support more workers, more equipment, and more supplies to fight the COVID-19 pandemic.

\$10 M for WI Department of Public Health

Many public health staff at the state are funded through federal grants, and the government can't quickly hire enough people to mount an adequate response during public health emergencies. This funding would allow the state to hire disease

experts, educators, researchers, and public health nurses.

Critical Investments for Health Care Providers

\$274 M for Increased Medicaid rates for Providers

The public health crisis and stay at home order has left many people unemployed and will almost certainly mean more people will rely on BadgerCare for health insurance. This proposal includes raising rates for providers like hospitals, community-based long-term care options, nursing homes, and hospice so they have the capacity to meet increasing demand.

\$100 M for Providers to Create and Staff Temporary Sites for Coronavirus Testing and Treatment

Having the necessary facilities, staffing, and infrastructure capacity is critical for responding adequately to the public health emergency. This funding would go to health care providers so they could develop temporary sites for treatment, testing, or isolation. They could also use these funds for new staffing, overtime pay, purchasing protective equipment and supplies, and other expenses needed to respond to the coronavirus outbreak.

\$13 M to Expand Caregiver Workforce for Nursing Homes

The coronavirus pandemic has worsened Wisconsin's caregiver shortage. The proposed legislation increases funding for the WisCaregiver Career program to increase caregiver capacity for nursing homes. The program offers free training, testing, and retention bonuses for students wishing to become caregivers.

\$10 M to Reimburse Insurance Companies for Uncompensated Care

With starkly increasing claims for unemployment compensation and people often losing their source of health coverage, more people will seek care without health insurance. The legislation includes funding to help providers cover the costs

of treatment, testing, and screening for people who are uninsured.

Increased Funding for Insurance Companies and Enrollment Assistance

\$30 M to cover increased costs associated with treatment and testing of COVID-19

Because the governor is requiring all private health insurance to cover testing, treatment, prescriptions, and vaccines associated with COVID-19 and with no out of pocket costs, insurance companies will have increased expenses. The legislation proposes to use unspent funds from another state health insurance initiative to help insurers cover increased costs. Hopefully, this will mitigate insurance increases likely in coming years.

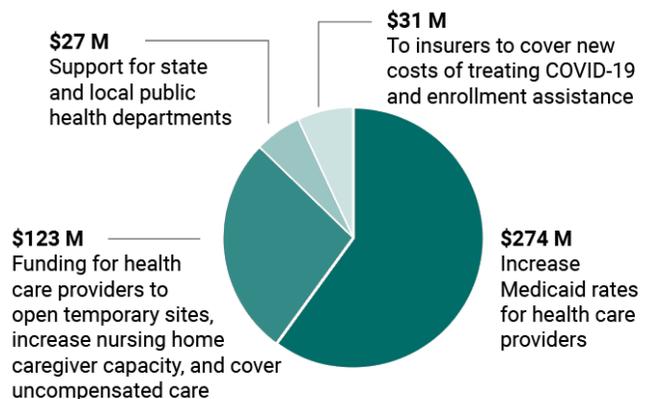
\$1 M to support increased enrollment assistance and health literacy

COVID-19 and the Safer at Home order have created a surge in unemployment claims and need for people to enroll in other sources of health coverage. The proposed legislation allocates additional funding to meet the increased demand for navigation, understanding, and enrollment assistance due to the pandemic.

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Governor Proposes New Health Care Investments to Fight Coronavirus

Governor Evers has proposed approximately \$455 million in new federal and state spending. The proposed legislation also includes an unlimited, sum-sufficient fund for staffing, providing resources and supplies, and other flexibility to respond to a public health crisis.



Source: Analysis of Legislative Fiscal Bureau memos

www.kidsforward.net

Consumer Protections for People with Private Health Insurance, & Prescription Drug Coverage

Private Health Insurance Reforms

In addition to reforming public health insurance through Medicaid changes, the governor also proposes many helpful adjustments that will protect people who have health insurance through their employer or the Affordable Care Act marketplace. Examples of those include:

- Mandate coverage, with no out-of-pocket costs, for testing, diagnosis, treatment, prescriptions, and vaccines related to COVID-19
- Not allow insurance companies to cancel policies during this public health crisis
- Require insurers to cover telehealth for any service they would cover in-person
- Ban surprise and balance billing for care related to COVID-19 and out-of-network care if preferred providers aren't available due to the public health emergency.

Temporary Improvements to Prescription Drugs

The proposed legislation includes forbidding insurers from imposing limits on certain prescriptions during a public health crisis. It also allows pharmacists to extend refills of most medication by 30 days without prior approval from a physician.

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Wisconsin must be able to quickly adapt its Medicaid program to handle increased need and increased enrollment like nearly every other state has already done. The state response to the crisis must help defray some of the increased costs providers and insurers are going to face while getting through this pandemic. Finally, it must make sure that people who have private health insurance are given the care they need without having to worry about costly deductibles and other out of pocket costs.

This is an extraordinary time. The governor has asked anyone who can stay home to do so. Many people are losing their jobs and with it their health insurance. We know that because of deep inequities in employment, income, health insurance, and health care, much of the harm is likely to fall disproportionately on black, Latinx, and Native American Wisconsinites. Further, recent data shows that Black Wisconsinites account for a disproportionately high number of deaths from COVID-19 compared their percentage of the population. Proposed solutions and additional resources must directly address the needs of those most impacted. It is critical that our state has the public health resources necessary to track and treat this epidemic.