

## 2023-25 State Budget: Health Care

# Governor's Proposed Budget Expands Access to Health Care and Provides Funding for Programs to Reduce Racial Disparities

March 16, 2023

All people in Wisconsin, whether they live in Menomonie or Milwaukee, deserve access to quality, affordable health care and to live in communities that support their health and wellness. Governor Evers' proposed budget takes steps to expand access to care, prioritizes maternal and infant health, boosts funding for health care providers, and expands the scope of services that Medicaid will pay for. It also increases access to dental services, makes health insurance more affordable, and invests in long-term care systems and care workers.

### Prioritizing maternal health and taking steps to address racial disparities

Wisconsin's overall rate of maternal mortality is lower than the national average. However, Black women are significantly more likely to die due to pregnancy-related causes than white women. This disparity is even more egregious in Wisconsin, where Black women are five times more likely to die due to pregnancy-related causes than white women. This disparity persists regardless of income or education.

The Governor's budget includes several proposals **to support maternal and infant health, including:**

- Providing about **\$30 million over the biennium to extend postpartum coverage for those covered by BadgerCare to one year**. Extending postpartum coverage for one year will begin to address our state's stark maternal mortality crisis by helping to ensure continuity of care for parents and infants. However, the proposed extension leaves out people who are ineligible for BadgerCare due to their immigration status or because they're in prison or jail. The BadgerCare Prenatal program can cover pregnant people who are ineligible for these reasons, but that coverage ends on the last day of the month their pregnancy ends.

#### Medicaid & BadgerCare

Medicaid provides health insurance for more than one million people in Wisconsin. BadgerCare, one of several Medicaid programs, is health insurance for kids, parents, and adults with low incomes who typically don't have access to coverage through their job. Medicaid also offers long term care for people with disabilities and older adults who need support to stay independent in their communities.

[Learn more about how Medicaid supports Wisconsin children & families here.](#)

The Governor's budget does not recommend funding extension of the BadgerCare Prenatal program, which last biennium was estimated at a cost of just \$4.5 million per year.

- Allowing for **Medicaid to pay for doula services**. Doulas offer advice, information, physical and emotional support, and advocacy for birthing people and their partners through the birthing process. Research shows that doulas improve health outcomes.
- Proposes allocating **\$3 million per year for grants to community-based organizations that work to prevent and address maternal and infant mortality**. The governor's previous budget proposed prioritizing similar funding for Black-led organizations, which would have targeted funding to communities most impacted.

Lastly, the Governor proposes to **repeal the state's abortion ban**, which was passed in 1849 and has gone back into effect since the US Supreme Court overturned Roe v. Wade. Limiting access to reproductive health care harms maternal and infant health. All people who can become pregnant should have the right to control their own bodies, decide when and if to have children, and make decisions about what's best for the health of their families.

## Investing in social and political drivers of health

The Governor's proposed budget also takes a wider view of health, by providing funding to address social and community factors that often drive inequitable health outcomes for people of color and those with low incomes in Wisconsin. These provisions include:

- **\$25 million from the Medicaid budget for housing, nutrition, stress management, and other issues** that impact individuals' social and economic condition.
- **Expands access to treatment for children exposed to high lead levels**. The rate of children with lead poisoning in Wisconsin is worse than the national average. Due to structural and economic barriers to health, Black children are more likely to have elevated blood-lead levels than other children in our state. The Governor's budget decreases the blood-lead level children must have to receive treatment through the state's Birth to 3 program. This makes more children eligible for treatment of lead exposure, and funding is increased to meet that projected demand.
- Includes **\$200 million to replace lead service lines** and increases funding people can use to address lead remediation in their homes in order to prevent children's exposure to lead.

## Making Medicaid pay for more services people need

The Governor proposes to expand the types of services that Medicaid providers will be paid for and allocates several million over the biennium to support those increases in services. Under the proposed budget, **Medicaid benefits would be expanded to cover support from [doulas](#), [community health workers](#), and [peer specialists](#)**. Numerous studies have demonstrated the positive impact that these services can have on people's maternal health, mental health, and overall health outcomes – notably people of color and those more likely to be impacted by health disparities. The Governor's budget also proposes that **Medicaid benefits include acupuncture services**.

The proposed budget also **increases funding for many existing Medicaid providers**, such as hospitals, primary care, emergency care, pediatrics, and behavioral health. Expanding the scope of services that Medicaid covers and including funding to meet the service increases helps make it more likely that Medicaid can provide the health coverage that people need. However, policymakers still need to do more to ensure equitable access. They should prioritize creating and sustaining robust service networks that include more providers who look like the community members they're serving and offer culturally and linguistically responsive care.

## Expanding Access to Health Coverage and Making Health Care more Affordable

Governor Evers' proposed budget **expands BadgerCare eligibility to 138% of the federal poverty level**, which is a little more than \$27,000 a year for a single parent with one child. About 87,000 adults are expected to gain coverage, and the Department of Health Services (DHS) estimates the state would save about \$1.6 billion over the course of the two-year budget and about \$200 million a year thereafter. The budget puts those dollars back into the Medicaid program to invest in vital services such as hospitals, behavioral health, primary care, and long-term care. Wisconsin is one of the few states that has not expanded Medicaid and that means we are consistently spending more state dollars to cover fewer people.

### Easy Enrollment

The proposed budget also takes steps to connect more people with health coverage by **implementing [Easy Enrollment in Wisconsin](#)**. That allows someone who is uninsured to check a box on their state tax return indicating that they're interested in getting coverage either through BadgerCare or the Healthcare.gov Marketplace. Despite coverage gains from the Affordable Care Act, Wisconsin still has stark racial disparities in insurance coverage. Black, Indigenous, and Latinx residents in Wisconsin are much more likely to be uninsured than their white counterparts. Expanding BadgerCare and making it easier for people to get insured would likely help address disparities in access to insurance.

### Making Health Care more Affordable

Finally, the Governor's budget also takes steps to make health care more affordable by proposing to **cap insulin costs at \$35 per month** for all health insurance plans in Wisconsin. The budget also **funds Wisconsin's reinsurance program**, the Health Care Stability Plan, which lowers premiums by helping insurers pay for high costs of care. This mainly benefits people who are not receiving financial assistance through the ACA.

## Conclusion

Extending postpartum coverage, replacing lead service lines, increasing funding for our long-term care system, and expanding BadgerCare will improve the lives of every person in Wisconsin regardless if they're directly impacted by these decisions. By leveraging our state's strong fiscal position and the savings from fully expanding BadgerCare, the Governor's proposed budget

invests substantially in our health care system. Providing better care for people, especially those experiencing health disparities or with the most need, results in a stronger, better system with far reaching social and community benefits for everyone.

## Contact

William Parke-Sutherland, [wparkesutherland@kidsforward.org](mailto:wparkesutherland@kidsforward.org)

## About Kids Forward

Kids Forward inspires action and promotes access to opportunity for every kid, every family, and every community in Wisconsin, notably children and families of color and those furthest from opportunity. Using a research- and community-informed approach, we advocate for effective, long-lasting solutions that break down barriers to success for children and families. Visit [kidsforward.org](https://kidsforward.org).

An initiative of Kids Forward, the **Wisconsin Budget Project** is working to enact transformative change with the goal of constructing a new, more equitable economy. Visit [wisconsinbudgetproject.org](https://wisconsinbudgetproject.org).

