HEALTH SERVICES

Budget Summary						FTE Position Summary				
				2023-25 Change Over Base Year Doubled					2024-25 Over 2022-23	
	2022-23	Governor					Governor			
Fund	Adjusted Base*	2023-24	2024-25	Amount	%	2022-23	2023-24	2024-25	Number	%
GPR	$4,977,837,400	$4,670,204,600	$4,945,472,800	- $339,997,400	- 3.4%	2,642.84	2,751.05	2,748.72	105.88	4.0%
FED	7,721,514,300	10,074,591,800	10,146,473,400	4,778,036,600	30.9	1,522.77	1,540.59	1,401.59	- 121.18	- 8.0
PR	1,828,706,200	1,984,661,100	1,911,782,700	239,031,400	6.5	2,422.31	2,689.28	2,751.11	328.80	13.6
SEG	624,886,000	906,739,700	655,025,100	311,992,800	25.0	2.00	2.00	2.00	0.00	0.0
TOTAL	$15,152,943,900	$17,636,197,200	$17,658,754,000	$4,989,063,400	16.5%	6,589.92	6,982.92	6,903.42	313.50	4.8%

*Includes $527,783,700 GPR and -$527,783,700 SEG to reverse a one-time transfer from the general fund to the Medical Assistance Trust Fund in 2022-23.

Budget Change Items

Medical Assistance -- Eligibility and Benefits

1. OVERVIEW OF MEDICAL ASSISTANCE FUNDING AND ENROLLMENT

This item presents several summary tables relating to the funding that would be provided for medical assistance (MA) benefits under the Governor's bill.

The MA program is supported by general purpose revenue (GPR), federal Medicaid matching funds (FED), three segregated funds (the MA trust fund, the hospital assessment trust fund, and the critical access hospital assessment trust fund), and various program revenue (PR) sources, such as drug manufacturer rebates.

Table 1 shows, by year and fund source, the total amounts that would be budgeted for MA benefits for the 2023-25 biennium under the bill, compared to the base level funding for the program. For the purposes of the table, as well as for all fiscal changes summarized under MA services, the appropriation base is shown as already adjusted by a fund source reallocation decision item that increases the GPR MA appropriation and decreases a SEG MA appropriation by $527,783,700 annually. This reallocation reverses a non-recurring transfer from the general fund to the Medical Assistance trust fund and an accompanying funding switch, from the GPR appropriation to the SEG appropriation, that was included the 2021-23 budget act (Act 58). Since neither this Act 58 transaction, nor the reversal of that transaction under the bill, has a net impact on the use of general fund revenues for the program, this decision item is incorporated into the base to make the presentation of the other funding changes more clear.

The cost-to-continue item reflects the Administration's estimates of MA costs in the 2023-25 biennium, without eligibility or other program changes. In addition, the table shows other items that would affect funding for MA, categorized as eligibility changes, benefit changes, and provider reimbursement rate increases.

TABLE 1

Summary of MA Benefits Funding,
Governor's Recommendations

	GPR	FED	PR	SEG	Total
2023-24					
Base Funding	$3,989,935,800	$6,891,808,500	$1,336,421,400	$624,531,700	$12,842,697,400
Cost-to-Continue	$119,124,000	$633,051,500	$46,004,200	$281,844,100	$1,080,023,800
Eligibility Changes					
Full Medicaid Expansion	-$295,976,200	$575,660,600	$0	$0	$279,684,400
Expansion Fed. Incentive	-553,488,600	553,488,600	0	0	0
Postpartum Extension	5,674,800	11,275,100	0	0	16,949,900
Reimbursement Changes					
HCBS Rate Continuation	$15,405,600	$27,709,400	$0	$0	$43,115,000
Family Care Direct Care	15,000,000	29,802,900	0	0	44,802,900
Personal Care Direct Care	15,000,000	29,802,900	0	0	44,802,900
Home and Comm. Services	0	0	0	0	0
Hospital Access Payments	0	265,506,200	0	0	265,506,200
Critical Access Hospital	0	3,607,100	0	0	3,607,100
Hospital Rates	7,605,400	15,110,900	0	0	22,716,300
Pediatric Supplement	2,693,600	7,306,400	0	0	10,000,000
Graduate Medical Education	627,800	1,247,200	0	0	1,875,000
Primary Care	21,110,400	41,943,300	0	0	63,053,700
Emergency Physician	3,624,300	7,200,900	0	0	10,825,200
Outpatient Behavioral Hlth.	1,897,200	3,769,500	0	0	5,666,700
Autism Treatment	1,364,400	2,710,800	0	0	4,075,200
Lead Poisoning Prevention	309,300	614,600	0	0	923,900
Benefit Changes					
Community Support Program	$19,239,100	$0	$0	$0	$19,239,100
Residential Room and Board	8,309,500	0	0	0	8,309,500
Community Health Benefit	0	0	0	0	0
Community Health Worker	0	0	0	0	0
Cont. Glucose Monitoring	0	0	0	0	0
Health Information Exchange	4,092,600	8,131,400	0	0	12,224,000
School Telehealth Origination	1,220,300	2,424,600	0	0	3,644,900
Certified Peer Specialists	0	0	0	0	0
Acupuncture	0	0	0	0	0
Assertive Comm. Treatment	0	1,552,900	0	0	1,552,900
Psychosocial Rehabilitation	0	0	0	0	0
Doula Services	0	0	0	0	0
Other Adjustments					
Program Revenue Reestimate	0	0	4,808,000	0	4,808,000
Administrative Transfers	-423,600	0	0	0	-423,600
Total Change to Base	-$607,590,100	$2,221,916,800	$50,812,200	$281,844,100	$1,946,983,000
2023-24 Total	$3,382,345,700	$9,113,725,300	$1,387,233,600	$906,375,800	$14,789,680,400

	GPR	FED	PR	SEG	Total
2024-25					
Base Funding	$3,989,935,800	$6,891,808,500	$1,336,421,400	$624,531,700	$12,842,697,400
Cost-to-Continue	$261,743,800	$443,601,100	-$59,598,400	-$14,270,500	$631,476,000
Eligibility Changes					
Full Medicaid Expansion	-$195,568,500	$588,898,000	$0	$0	$393,329,500
Expansion Fed. Incentive	-575,169,300	575,169,300	0	0	0
Postpartum Extension	5,960,500	11,503,500	0	0	17,464,000
Reimbursement Changes					
HCBS Rate Continuation	$65,570,900	$118,245,100	$0	$0	$183,816,000
Family Care Direct Care	15,000,000	28,949,600	0	0	43,949,600
Personal Care Direct Care	15,000,000	28,949,600	0	0	43,949,600
Home and Comm. Services	15,153,600	29,337,200	0	0	44,490,800
Hospital Access Payments	0	265,506,200	0	0	265,506,200
Critical Access Hospital	0	3,426,700	0	0	3,426,700
Hospital Rates	15,506,100	29,926,400	0	0	45,432,500
Pediatric Supplement	2,739,100	7,260,900	0	0	10,000,000
Graduate Medical Education	639,900	1,235,100	0	0	1,875,000
Primary Care	43,040,400	83,067,000	0	0	126,107,400
Emergency Physician	7,389,200	14,261,000	0	0	21,650,200
Outpatient Behavioral Hlth.	3,868,100	7,465,300	0	0	11,333,400
Autism Treatment	2,781,700	5,368,700	0	0	8,150,400
Lead Poisoning Prevention	315,300	608,600	0	0	923,900
Benefit Changes					
Community Support Program	$21,516,500	$0	$0	$0	$21,516,500
Residential Room and Board	8,309,500	0	0	0	8,309,500
Community Health Benefit	7,679,300	14,820,700	0	0	22,500,000
Community Health Worker	6,562,000	12,664,600	0	0	19,226,600
Cont. Glucose Monitoring	4,641,700	8,958,300	9,600,000	0	23,200,000
Health Information Exchange	2,888,800	5,575,200	0	0	8,464,000
School Telehealth Origination	2,499,000	4,823,000	0	0	7,322,000
Certified Peer Specialists	1,268,100	2,447,400	0	0	3,715,500
Acupuncture	1,092,200	2,107,800	0	0	3,200,000
Assertive Comm. Treatment	0	1,552,900	0	0	1,552,900
Psychosocial Rehabilitation	691,900	1,335,300	0	0	2,027,200
Doula Services	449,300	867,100	0	0	1,316,400
Other Adjustments					
Program Revenue Reestimate	$0	$0	$4,808,000	$0	$4,808,000
Administrative Transfers	-427,400	0	0	0	-427,400
Total Change to Base	-$258,858,300	$2,297,931,600	-$45,190,400	-$14,270,500	$1,979,612,400
2024-25 Total	$3,731,077,500	$9,189,740,100	$1,291,231,000	$610,261,200	$14,822,309,800

Table 2 summarizes the proposed funding changes on a biennial basis, by type of change, in relation to the appropriation base, doubled for the purposes of the comparison.

TABLE 2

Biennial Summary of MA Benefits Funding

	GPR	FED	PR	SEG	Total
Base Doubled	$7,979,871,600	$13,783,617,000	$2,672,842,800	$1,249,063,400	$25,685,394,800
Cost-to-Continue	380,867,800	1,076,652,600	-13,594,200	267,573,600	1,711,499,800
Eligibility Changes	-1,608,567,300	2,315,995,100	0	0	707,427,800
Reimbursement Changes	319,379,300	1,076,751,900	0	0	1,396,131,200
Benefit Changes	42,722,800	50,448,800	9,600,000	0	102,771,600
Other Adjustments	-851,000	0	9,616,000	0	8,765,000
Total Change to Base	-$866,448,400	$4,519,848,400	$5,621,800	$267,573,600	$3,926,595,400
Total 2023-25 Funding	$7,113,423,200	$18,303,465,400	$2,678,464,600	$1,516,637,000	$29,611,990,200

Table 3 shows actual and projected average monthly enrollment by major eligibility group under the cost-to-continue scenario. The federal Families First Coronavirus Response Act of 2020 provided an enhanced Medicaid matching rate (an increase of 6.2 percentage points) in response to the COVID-19 pandemic. As a condition of receiving the additional matching funds, states were required to maintain Medicaid eligibility for any person who was enrolled in the program as of March 18, 2020, or who later became eligible for coverage. This "continuous eligibility" policy has resulted in steady enrollment increases over the past three years, but will expire after March 31, 2023. The state's income maintenance agencies will then begin a twelve-month process of redetermining eligibility for all current MA beneficiaries. The Administration's cost-to-continue estimate assumes decreasing enrollment during that period, so that the average monthly enrollment is projected to be at or below 2022-23 levels in both years of the 2023-25 biennium in most eligibility categories.

TABLE 3

Actual and Projected Monthly Average Enrollment by Group

	Actual	Projected	Estimates	
	2021-22	2022-23	2023-24	2024-25
Elderly, Blind, Disabled MA				
Elderly	84,069	87,829	87,201	87,502
Disabled, Non-Elderly Adults	151,294	153,760	153,680	153,755
Disabled Children	34,406	35,104	35,519	35,834
EBD Total	269,769	276,692	276,400	277,092
BadgerCare Plus				
Children	553,737	582,821	503,745	453,413
Parents	224,583	243,733	192,925	161,082
Childless Adults	258,253	286,744	211,342	163,806
Pregnant Women	32,508	36,820	26,131	19,078
BadgerCare Plus Total	1,069,080	1,150,117	934,142	797,379
Other Full Benefit MA				
Foster Care/Subsidized Adoption	25,657	27,713	24,081	21,765
Well Woman	518	541	503	479
Total Full Benefit Enrollment	1,365,024	1,455,064	1,235,127	1,096,715
Limited Benefit Groups				
Family Planning Only	45,421	49,073	41,467	36,407
Medicare Cost Sharing Assistance	16,248	15,657	16,272	16,648
Total Enrollment	1,426,693	1,519,795	1,292,866	1,149,770

Table 4 shows actual and projected SEG revenues to the MA trust fund (MATF) under the bill, as well as anticipated MATF expenditures. MATF revenues are used for the nonfederal share of MA benefits, offsetting an equal amount of GPR. In most years, the Department fully spends the SEG appropriation for MA benefits in order to minimize the amount of GPR needed for MA benefits. However, the Department plans to manage the use of SEG and GPR expenditure authority differently in the 2021-23 biennium, related to a federal initiative for the improvement of home and community-based services (HCBS) for eligible elderly and disabled persons. Under the federal program, the state received a 10.0 percentage point increase to its federal Medicaid matching rate for HCBS services during the 12-month period from April 1, 2021 to March 31, 2022. This enhanced matching rate generated state funds savings of $404.5 million, which, under the federal program, must be spent by March 31, 2025, to enhance the state's HCBS programs. Of this amount, the Department projects that $117.0 million will be spent in the 2021-23 biennium, leaving approximately $287.5 million to be spent in the 2023-25 biennium. If the HCBS state savings were to accrue to the GPR appropriation for MA, the surplus would lapse to the general fund, requiring a GPR appropriation increase in 2023-24 to complete the HCBS expenditure plan. Instead, the Department has adjusted SEG expenditures in the 2021-23 biennium by spending more GPR, rather than SEG, than otherwise would have been the case, so as to leave $287.5 million in the unexpended balance of the MATF at the end of the biennium. As shown in the table, this surplus will then be available in the fund for MA HCBS expenditures in the 2023-25 biennium.

One change in MATF revenues is notable. The 2021-23 budget included revenue transfers from the general fund to the MATF of $174,665,900 in 2021-22 and $527,783,700 in 2022-23 (identified as "Transfer from General Fund" in the table). This additional fund revenue resulted in corresponding increases in the MATF SEG appropriation for MA benefits and decreases to the GPR appropriation for MA. Since this transfer is non-recurring, the MATF will no longer realize general fund transfer revenues in the 2023-25 biennium. The bill includes an item that reallocates $527,783,700 between SEG and GPR sources to account for this change in revenues, an adjustment which is included in the appropriation base for the purpose of Table 1.

TABLE 4

Actual and Projected Medical Assistance Trust Fund Revenues
Fiscal Years 2021-22 through 2024-25

	Actual	Projection	Estimates	
	2021-22	2022-23	2023-24	2024-25
Beginning Balance	$61,391,900	$237,666,500	$287,452,300	$0
Provider Assessments				
Hospital Assessment*	$195,144,300	$189,290,000	$155,142,100	$150,578,300
Nursing Home/ICF-IID Bed Assessment	57,225,900	55,509,200	53,613,500	51,949,900
Critical Access Hospital Assessment*	1,795,700	1,741,800	1,009,000	846,700
Federal Funds Claiming				
County Nursing Home Cert. Pub. Expenditures	23,350,400	$28,000,000	$27,160,000	$26,345,200
UW Intergovernmental Transfer	15,683,200	15,900,900	15,806,000	15,806,000
UW Certified Public Expenditures	0	1,900,000	1,900,000	1,900,000
Other				
Transfer from General Fund	$174,665,900	$527,783,700	$0	$0
Transfer from Permanent Endowment Fund	126,809,900	110,139,600	101,523,900	95,817,200
Interest Earnings**	264,200	-450,000	-450,000	-450,000
Total Available	$656,331,500	$1,167,481,700	$643,156,800	$342,793,300
Expenditures				
County Nursing Home Supplement***	$11,530,000	$0	$0	$0
MA Benefits	407,135,000	880,029,400	643,156,800	342,793,300
Year-End Balance	$237,666,500	$287,452,300	$0	$0

* Assessment revenue is first deposited in separate trust funds and a portion is used to make supplemental hospital payments. The amounts shown are the transfers to the MA trust fund after these supplemental payments are made.

** Negative interest earnings reflect negative cash balances that occur at times during the year.

*** Any amount of county nursing home certified public expenditure revenue collected in excess of budget projections is paid as a supplement to counties in the following year.

Table 5 shows the actual and projected federal medical assistance percentage (FMAP) rates applicable to MA benefit expenditures in each fiscal year from 2022-23 through 2024-25. The enhanced FMAP applicable during the COVID-19 pandemic will phase out by the end of calendar year 2023, but still increases the weighted average in 2023-24. In addition to the FMAP for regular

Medicaid (Title 19 of the federal Social Security Act), the table also shows the higher rate applicable to expenditures for children eligible under the Children's Health Insurance Plan (CHIP or Title 21).

TABLE 5

Federal Medical Assistance Percentage (FMAP) Rates By State Fiscal Year

State Fiscal Year	Title 19 (Most MA Services)	Title 21 (Children's Health Insurance Plan)
2022-23		
State	34.06%	23.84%
Federal	65.95	76.16
2023-24		
State	38.48%	26.94%
Federal	61.52	73.06
2024-25		
State	39.13%	27.39%
Federal	60.87	72.61

Table 6 shows the annual income eligibility levels, by household size, at various percentages of the 2023 federal poverty level (FPL). The current BadgerCare Plus income eligibility threshold is 100% for adults and 306% for pregnant women and children, whereas the standard for full Medicaid expansion is 138%. The other percentages shown, 160%, 200%, and 240%, are used for the different eligibility tiers in the SeniorCare program.

TABLE 6

Annual Household Income at Various Percentages of the 2023 Federal Poverty Level, By Household Size

	Percentage of FPL					
Household Size	100%	138%	160%	200%	240%	306%
One	$14,580	$20,120	$23,328	$29,160	$34,992	$44,615
Two	19,720	27,214	31,552	39,440	47,328	60,343
Three	24,860	34,307	39,776	49,720	59,664	76,072
Four	30,000	41,400	48,000	60,000	72,000	91,800
Five	35,140	48,493	56,224	70,280	84,336	107,528

2. MEDICAL ASSISTANCE COST-TO-CONTINUE ESTIMATE

GPR	$380,867,800
FED	1,076,652,600
PR	- 13,594,200
SEG	267,573,600
Total	$1,711,499,800

Governor: Provide $1,080,023,800 ($119,124,000 GPR, $633,051,500 FED, $46,004,200 PR, and $281,844,100 SEG) in 2023-24 and $631,476,000 ($261,743,800 GPR, $443,601,100 FED, -$59,598,400 PR, and -$14,270,500 SEG) in 2024-25 to fund projected MA benefits under a cost-to-continue scenario (no program changes to benefits or eligibility). The funding adjustments are based on the Administration's projections of caseload changes and changes in the use and cost of providing medical and long-term care services. The cost-to-continue estimate is developed using projections for enrollment and average cost per beneficiary for all service categories, among other factors. The estimates for the 2023-25 biennium build on the Administration's expenditure and enrollment projections for the remainder of 2022-23.

The major assumptions underlying the Administration's cost-to-continue estimate are described below.

Federal Medical Assistance Percentage (FMAP). The FMAP determines the federal matching rate for Medicaid benefit expenditures. The FMAP formula is based on the state's per capita personal income in relation to the national average. Historically, Wisconsin's FMAP has been approximately 60%, although it was increased by 6.2 percentage points since the beginning of 2020, under provisions of the federal Families First Coronavirus Relief Act (FFCRA). That enhanced rate will be phased down over the course of calendar year 2023, returning to the standard formula, beginning in 2024. Under the phase-out schedule, states will receive the 6.2 percentage point increase in the first quarter, a 5.0 point increase in the second quarter, a 2.5 point increase in the third quarter, and a 1.5 point increase in the fourth quarter. The FMAP projections for each fiscal year are shown in Table 5 of the previous item.

Although the FMAP will be lower in the 2023-25 biennium without the enhanced formula, than in the 2021-23 biennium, the 2021-23 budget for MA was established with the expectation that the enhanced rate would already have expired by 2022-23. Thus, the current appropriation base for MA reflects the assumption that the FMAP would be 60.32 under the standard formula (the weighted average for the state fiscal year). In comparison to that rate, the Administration's FMAP projections for the two state fiscal years of the 2023-25 biennium (61.52% and 60.87%) are higher. Consequently, in isolation, the FMAP has a slight negative effect on state funding requirements, relative to the base funding level.

Caseload. As a condition of receiving the enhanced FMAP under FFCRA, states were required to follow a continuous enrollment policy, meaning that, with limited exceptions, no person who was enrolled as of March 18, 2020, or who became eligible after that date, could be disenrolled. Because of this policy, enrollment in full benefit MA categories has grown steadily since March of that year, by over 98% for pregnant women, by 87% childless adults, by 54% for parents, by 30% for children, and by 12% for elderly and disabled individuals. The continuous enrollment policy ends on March 31, 2023, at which point all current enrollees will be subject to eligibility review over the following twelve months. Thus, the Administration's cost-to-continue estimate assumes that enrollment in all categories will decline over a period extending from May of 2023 through May of 2024, before resuming more typical patterns. By the end of the biennium,

the Administration projects that the number of children, parents, and pregnant women will be at or close to the number who were enrolled in these categories in March of 2020, while the number childless adults will be 5% higher and the number of elderly and disabled beneficiaries will be 3% higher than in March of 2020.

Cost and Utilization of Services and Provider Reimbursement. The cost of most acute care services delivered on a fee-for-service basis are estimated separately by enrollee eligibility category and service. For the purposes of these calculations, the Administration determines the actual, average service cost for each enrollment category and applies a service cost and utilization growth factor for 2022-23 and the two years of the 2023-25 biennium. The average growth factors are generally based on recent service utilization and cost trends.

The cost-to-continue scenario is based on a continuation of current provider reimbursement rates for most services, although there are some exceptions. Prescription drugs, for instance, are reimbursed on an actual cost basis, so anticipated changes in the cost of retail drugs are reflected in average per enrollee costs. Similarly, growth in inpatient and outpatient hospital costs reflect the inflationary increases in payment rates that are applied as part of the Department's annual hospital rate setting methodology.

Finally, the cost-to-continue estimate reflects a reduction in reimbursement payments for certain home and community-based services (HCBS). The reimbursement rates for these HCBS services were increased by 5%, effective January 1, 2022, as part of an HCBS enhancement plan. Since this increase was provided as part of the expenditure plan for federal enhancement funds, the higher payments were only guaranteed through March 31, 2024. The cost-to-continue estimate reflects a return to the prior payment rates for HCBS services, which would be a reduction from their current levels. The cost to continue the current HCBS rates is included in a separate item (summarized under Medical Assistance -- Long-Term Care).

Managed Care Capitation Rates. The Administration assumes that monthly managed care capitation rates will increase by 2% annually in 2024 and 2025, above the 2023 rates, for payments to health maintenance organizations for acute care services under BadgerCare Plus and SSI Medicaid, and by 2.7% annually in 2024 and 2025 for the capitation rates for long-term care services provided under Family Care. Capitation rates in 2023, which will determine payments for the first six months of the biennium, were less than 2022 rates for all managed care groups, reflecting lower average medical claims experience.

IRIS Caseload and Costs. The Administration assumes that monthly enrollment in IRIS (Include, Respect, I Self-Direct), an alternative to Family Care for long-term care services, will increase by approximately 7% annually. Average monthly IRIS enrollment is expected to be 27,000 in 2023-24 and 28,870 in 2024-25, up from 25,180 in 2022-23. Average, per-beneficiary costs are expected to increase by 4.7% in 2024 and 3.0% in 2025, with total costs, on an all funds basis, estimated at $1,104.2 million in 2023-24 and $1,215.1 million in 2024-25, up from $982.2 million in 2022-23.

Nursing Home Reimbursement. The Administration projects that fee-for-service nursing home bed days will decrease by approximately 15% per year. Payments to nursing homes reflect acuity adjustments to the reimbursement rate (2.5% in 2023-24 and an additional 3.0% in 2024-

25). On an all funds basis, total nursing home payments, excluding payments to the Veterans Homes and State Centers for Individuals with Intellectual Disabilities, are estimated at $455.9 million in 2023-24 and $397.2 million in 2024-25, compared to an estimated $516.5 million in 2022-23.

Medicare Premiums for Dual Eligibles and Medicare Part D Clawback Payments. Estimates of premium payments for Medicare dual eligibles are based on out-year projections developed by the federal Medicare Board of Trustees. Medicare Part B premiums are anticipated to increase by 6.3% in 2024 and 6.2% in 2025. The program pays monthly Part B premiums for approximately 140,000 dual eligible members. Medicare premium payments (all funds) are estimated at $327.6 million in 2023-24 and $347.7 million in 2024-25.

The Medicare Part D clawback is a GPR payment made to the federal government to offset a portion of federal prescription drug coverage under Medicare Part D, in lieu of prescription drug coverage that, prior to Part D, was provided through MA for dual eligible members. The per-beneficiary payment is indexed to the price of drugs. For the drug price index, the Administration relied on clawback projections developed by the Federal Funds Information for States for 2023 and the Medicare Trustee's projections; the Administration projects that the number of dual eligible beneficiaries will grow by 3.9% in 2023-24 and by 4.5% in 2024-25. Total clawback payments are estimated at $360.4 million GPR in 2023-24 and $410.0 million GPR in 2024-25.

Children's Long-term Support (CLTS) Waiver. The Department anticipates increases in enrollment in the CLTS waiver program as counties continue to enroll children in the program. Total CLTS enrollment is expected to be 17,800 by the end of 2022-23, increasing to a monthly average of 18,200 in 2023-24 and 18,700 in 2024-25. Annual per beneficiary costs are anticipated to be $14,256 in both years of the biennium (including administrative costs), which is the same as estimated average costs in 2022-23. CLTS costs, on an all funds basis, are estimated at $237.8 million in 2023-24 and $248.1 million in 2024-25, up from $220.5 million in 2022-23.

Home and Community Based Services (HCBS) Enhancement Plan. A provision of the American Rescue Plan Act included federal incentives for states to improve their HCBS programs for elderly and disabled individuals. Under the provision, states received a 10.0 percentage point increase in the FMAP for base HCBS expenditures during a 12-month period from April 1, 2021 to March 31, 2022. States are required to spend the state funds savings resulting from the enhanced federal matching funds to improve HCBS programs over a two-year period, from April 1, 2022, through March 31, 2024 (subsequently extended to March 31, 2025). States were required to submit a plan to the Centers for Medicare and Medicaid Services (CMS) with an expenditure plan for HCBS enhancements. For Wisconsin, the enhanced FMAP resulted in state savings of $404.6 million.

Under Wisconsin's expenditure plan, the Department anticipates spending $117.1 million of this savings for HCBS initiatives in the 2021-23 biennium, leaving $287.5 million for expenditure in 2023-24. The Department intends to leave an unexpended surplus in the MA trust fund of $287.5 million at the end of the 2021-23 biennium, in order to carry over the funding needed for the remaining plan expenditures into the 2023-25 biennium. The cost-to-continue estimate includes the anticipated HCBS plan expenditures in the overall calculation of MA funding needs for 2023-

24, which results in the carry-over funds being appropriated as SEG in the program. In addition to this SEG funding increase, the cost-to-continue item includes a FED increase of $191.2 million in 2023-24, to reflect the matching funds for the portion of HCBS plan expenditures that are eligible for federal financial participation.

3. FULL MEDICAID EXPANSION

GPR	- $1,619,519,900
FED	2,295,264,400
Total	$675,744,500

Governor: Adjust funding for medical assistance benefits and program enrollment services to reflect the fiscal effect of adopting full Medicaid expansion, effective on July 1, 2023. The following table shows the funding changes by fund source and by funding purpose under the bill.

Full Medicaid Expansion
Governor's Recommendations

	2023-24	2024-25	Biennial Total
MA Benefits Funding			
GPR	-$849,464,800	-$770,737,800	-$1,620,202,600
FED	1,129,149,200	1,164,067,300	2,293,216,500
Subtotal	$279,684,400	$393,329,500	$673,013,900
Enrollment Services			
GPR	$340,500	$342,200	$682,700
FED	1,021,400	1,026,500	2,047,900
Subtotal	$1,361,900	$1,368,700	$2,730,600
Total Funding Change			
GPR Total	-$849,124,300	-$770,395,600	-$1,619,519,900
FED Total	1,130,170,600	1,165,093,800	2,295,264,400
Total	$281,046,300	$394,698,200	$675,744,500

Statutory Changes to Implement Full Medicaid Expansion. Increase the income eligibility threshold under the BadgerCare Plus for parents and caretakers from 100% of the federal poverty level (FPL) to 133% of the FPL. Specify that an adult who is under the age of 65, has a household income that does not exceed 133% of FPL, and who is not otherwise eligible for MA or for the Medicare program is eligible for benefits under BadgerCare Plus (a "childless adult").

Require DHS to comply with all federal requirements to qualify for the highest available enhanced federal medical assistance percentage and to submit any amendment to the state medical assistance plan, request for a waiver of federal Medicaid law, or other approval request required by the federal government to do so. Repeal current law provisions related to childless adult eligibility through federal waiver authority and a requirement that the Department comply with the waiver provisions, to reflect that childless adults would be eligible under standard Medicaid authority. Require DHS to submit any necessary request to the federal Department of Health and Human Services to modify or withdraw from the childless adult demonstration project to reflect the incorporation of childless adults into BadgerCare Plus. Repeal a current law provision that

prevents DHS from expanding MA program eligibility to qualify for enhanced federal matching funds under the Affordable Care Act (ACA). Specify that these provisions take effect on July 1, 2023.

Background. To meet the standard for full Medicaid expansion under federal law, a state must establish the income eligibility threshold at 138% of the federal poverty level (FPL) for adults between the ages of 19 and 64. [By federal statutes, the full expansion threshold is 133% of the FPL. However, federal income counting rules include a standard 5% disregard to account for various household expenditures, effectively making the threshold equivalent to 138% of the FPL.] Wisconsin does not meet this standard since the state currently has an income eligibility threshold of 100% of the FPL for parents and childless adults. The bill changes are necessary to implement the full expansion eligibility thresholds.

Under the ACA, states that adopt full Medicaid expansion are eligible to receive a 90% federal matching rate (the medical assistance percentage, or FMAP) for Medicaid benefit costs associated with adults age 19 to 64 who are considered "newly eligible" for coverage. An eligibility group is determined to be "newly-eligible" if members of the group were not eligible to receive full Medicaid benefits as of December 1, 2009. For Wisconsin, parents would not be considered to be "newly eligible" since the state covered parents up to 200% of the FPL on that date. However, childless adults would meet the "newly-eligible" definition since they were not eligible for full coverage on that date. Furthermore, although the state has provided full benefits coverage to childless adults up to 100% of the FPL since 2014, all childless adults would be considered "newly-eligible" with the adoption of full Medicaid expansion, and so their costs would be eligible for the enhanced FMAP if the state adopts the full Medicaid expansion eligibility standards.

Under a provision of the American Rescue Plan Act of 2021(ARPA), any non-expansion states that adopts full Medicaid expansion becomes eligible for a temporary 5.0 percentage point increase to the state's standard FMAP. This federal incentive matching rate is applicable for the two years following implementation, and applies to most Medicaid expenditures that would otherwise be subject to the standard FMAP.

The state would incur increased costs for the nonfederal share of benefits for the additional parents and childless adults that would be covered with full expansion (those within the 100% of FPL to 138% of FPL range), but the state savings associated with qualifying for the 90% FMAP for childless adults is greater. The reduction in GPR funding under the bill reflects the net change for both of these factors.

The funding adjustments for MA benefits under the bill reflect both the ongoing changes associated with the state qualifying for the 90% FMAP for childless adults (net effect), and the two-year ARPA incentive provision. The following table shows the fiscal changes for each of these components.

Changes to MA Benefits, by Component

	2023-24	2024-25	Biennium
Full Expansion, 90% FMAP Effect			
GPR	-$295,976,200	-$195,568,500	-$491,544,700
FED	575,660,600	588,898,000	1,164,558,600
Two-Year ARPA Incentive			
GPR	-$553,488,600	-$575,169,300	-$1,128,657,900
FED	553,488,600	575,169,300	1,128,657,900
Total MA Benefits Change			
GPR	-$849,464,800	-$770,737,800	-$1,620,202,600
FED	1,129,149,200	1,164,067,300	2,293,216,500
All Funds	$279,684,400	$393,329,500	$673,013,900

The Administration projects that by adopting the full expansion eligibility limits, the number of parents enrolled would, by the end of 2023-24, increase by 61,000 and the number of childless adults enrolled would increase by 28,600, for a total increase of 89,600. These increases are relative to the Department's baseline enrollment estimates, rather than relative to current enrollment. With the expiration of the continuous enrollment and the resumption of regular eligibility processes, the baseline enrollments for all BadgerCare Plus groups is expected to decrease during the biennium. Consequently, although adopting full Medicaid expansion would result in enrollment increases relative to the baseline estimates, the totals would be below current enrollment levels.

[Bill Sections: 407, 1074, 1081, 1082, 1120 thru 1123, 1127, 3394, 9119(1), and 9419(1)]

4. POSTPARTUM ELIGIBILITY EXTENSION

GPR	$11,635,300
FED	22,778,600
Total	$34,413,900

Governor: Provide $16,949,900 ($5,674,800 GPR and $11,275,100 FED) in 2023-24 and $17,464,000 ($5,960,500 GPR and $11,503,500 FED) in 2024-25 to reflect the estimated cost of providing one year post-partum coverage for pregnant women. Specify that, if approved by the federal government, a woman who is determined to be eligible under the BadgerCare Plus program as a pregnant woman remains eligible for benefits until the last day of the month in which the 365th day after the last day of the pregnancy falls, instead of the last day of the month in which the 90th day after the last day of the pregnancy falls.

Under current law, DHS is required to submit a request for federal approval of a state Medicaid plan amendment or federal waiver to extend postpartum eligibility for pregnant women until the last day of the month in which the 90th day following the pregnancy falls. Until such a request is approved, or if such a request is denied, postpartum eligibility lasts until the last day of the month in which the 60th day following the pregnancy falls. The Department submitted a federal waiver request in in June of 2022, but the federal Centers for Medicare and Medicaid Services has not yet acted on the request (as of the date of the introduction of the bill). Consequently, the 60-day standard remains in effect. As amended by the bill, DHS would be required to submit a request

for approval of the one-year postpartum coverage. Federal law permits states to adopt a one-year postpartum coverage period for pregnant women as an optional eligibility category. Since selecting this option could be implemented with an amendment to the state Medicaid plan, no federal waiver would be required.

The current income eligibility threshold for pregnant women is 306% of the federal poverty level (FPL). Women whose household income is below 100% of the FPL may retain eligibility following pregnancy, as either a parent or, if she is not a parent of a child in the household, as a childless adult. Women whose household income is above 100% of the FPL are no longer eligible for coverage following the last day of the month in which the 60th day after the last day of the pregnancy falls. Therefore, this item would affect the eligibility for women whose household income is between 100% of the FPL and 306% of the FPL, allowing them to retain eligibility for an additional 10 months.

The Administration estimates that, if approved, the monthly average number of pregnant women with coverage under BadgerCare Plus would increase by 6,700 in 2023-24 and by 4,300 in 2024-25, relative to the total enrollment baseline. Under the Administration's cost-to-continue projections (no change to eligibility), the baseline enrollment of pregnant women is expected to be 26,100 in 2023-24 and 19,100 in 2024-25.

The funding increase in the bill reflects a two-year increase in federal matching rates that the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In addition, the number of women affected by the coverage extension would increase since fewer women would otherwise be covered under the full expansion item. The Administration estimates that the funding required for extending postpartum coverage without full Medicaid expansion would be $20,783,800 ($7,997,600 GPR and $12,786,200 FED) in 2023-24 and $21,414,200 ($8,379,400 GPR and $13,034,800 FED) in 2024-25.

[Bill Sections: 1106, 1107, 1118, 1124, and 1125]

5. HOSPITAL ACCESS PAYMENTS -- ACUTE CARE HOSPITALS

FED	$531,012,400

Governor: Modify the formula used to determine the amount of hospital supplement payments distributed each year to acute care hospitals to specify that the total shall equal the amount of revenue collected under the hospital assessment divided by 44.21%, instead of, as under current law, the amount of the assessment collected divided by 61.68%. This change would have the effect of increasing the total hospital supplements distributed annually by $265,558,500, from $672,028,700 to $937,587,200.

Provide $265,506,200 FED annually to reflect an estimate of the increase in federal matching funds that the state would receive for hospital access payments and other hospital supplements under provisions of the bill, due to changes in the effective federal matching rate for supplements that would apply as the result of: (a) adopting full Medicaid expansion; and (b) making hospital access payments for hospital services rendered to childless adults.

Under current law, DHS collects an assessment on hospitals (excluding psychiatric hospitals) based on a percentage of patient revenues. For acute care hospitals, the assessment rate is set each year so that the total amount collected equals $414,507,300. In 2021-22, for instance, the assessment percentage was 0.78% of patient revenues.

DHS is required to annually make supplemental hospital payments under MA that, in total, equals the amount of hospital assessment revenue collected, divided by 61.68%, which is $672,028,700. Of this amount, $654,228,700 is used for hospital access payments, while the remaining $17,800,000 is used for other hospital supplemental payments. Hospital access payments are flat rate payments made in addition to the base reimbursement for inpatient and outpatient services. The amount of the payment is determined each year by dividing the total access payment pool by the estimated number of hospital services. However, in order to comply with "budget neutrality" provisions of the federal waiver that governs coverage for childless adults, access payments are not made for hospital services rendered to childless adult enrollees. Consequently, childless adult services are excluded from the rate calculation.

Access payments and other supplements are eligible for federal matching funds, with the nonfederal share being paid with hospital assessment revenue. Under the current law matching rate, for instance, the hospital payments in 2023-24 will be made with $258.6 million SEG (hospital assessment fund revenue) and $413.4 million FED.

The change to the hospital supplement formula summarized under this item would increase supplement payments by $265.6 million annually, a 39.5% increase. This increase in total supplement payments is approximately equal to the estimated amount of additional federal matching funds that the state would receive as the result of adopting full Medicaid expansion. [Due to slight differences between the percentages used to calculate the fiscal effect and the rounded percentage included in the bill's formula, there are slight differences between the increase in total payments, the estimated increase in federal matching funds, and the amount of the FED increase reflected in the bill.]

The reason that the state would receive a higher federal matching rate is related to the coverage of services for childless adults. With expansion, childless adults would be covered under standard federal eligibility rules, rather than under the federal waiver, meaning that federal budget neutrality requirements applicable to the waiver would no longer apply. This would allow the Department to begin making access payments for hospital services rendered to childless adults, which it would do by spreading the hospital access pool across all hospital services, rather than excluding services to childless adults. Since services provided for childless adults (including hospital access payments) would become eligible for a 90% FMAP with full expansion, the weighted average of the federal matching rate for all access payments would increase. Furthermore, the state would also qualify for a two-year federal incentive for adopting full expansion, equal to a 5.0 percentage point increase for most other MA expenses, including all other hospital access payments. Through the combination of these changes, the Administration estimates that the weighted average FMAP for access payments would increase by approximately 11 percentage points during the 2023-25 biennium.

The following table compares the calculation of total hospital supplements, including the

applicable federal and state shares, under current law with the formula change under the bill. The table is presented using the Administration's estimates of the weighted average FMAP that would apply with the adoption of full Medicaid expansion. As noted earlier, due to rounding differences, the resulting changes in the federal share of payments differ slightly from the increases in the total, and also does not exactly match the FED increases in the bill. Consequently, while the intent was to hold SEG amount constant, the amount of SEG required for the payments may change slightly from the current law scenario.

	Current Law Formula		Bill Formula With Full Medicaid Expansion	
	2023-24	2024-25	2023-24	2024-25
Assessment Revenue	$414,507,300	$414,507,300	$414,507,300	$414,507,300
Divided by…	61.68%	61.68%	44.21%	44.21%
Equals Total Supplements	$672,028,700	$672,028,700	$937,587,200	$937,587,200
Increase in Total Payments			$265,558,500	$265,558,500
Weighted Avg. FMAP*				
For Access Payments	61.52%	60.87%	72.42%	71.95%
FED Share	$413,432,100	$409,063,900	$679,000,700	$674,594,000
SEG Share	$258,596,600	$262,964,800	$258,586,500	$262,993,200
Increase in Federal Match			$265,568,600	$265,530,100

* For the full expansion columns, the average FMAP reflects the estimated weighted average when childless adults are included in the access payment pool, and also includes the 5.0 percentage point federal incentive for adopting full Medicaid expansion.

[Bill Section: 1076]

6. HOSPITAL ACCESS PAYMENTS -- CRITICAL ACCESS HOSPITALS

FED	$7,033,800

Governor: Modify the formula used to determine the amount of access payments distributed each year to critical access hospitals to specify that the total shall equal the amount of revenue collected under the critical access hospital assessment divided by 44.21%, instead of, as under current law, the amount of the assessment collected divided by 61.68%. This change would have the effect of increasing the total amount of critical access hospital access payments by 39.5%. For the 2023-25 biennium, the distribution of critical access hospital access payments would increase by an estimated $3,607,800 in 2023-24 and by $3,427,400 in 2024-25. Under the current law formula, the critical access hospital access payment total is estimated at $9,130,000 in 2023-24 and $8,673,500 in 2024-25, and the formula change would increase payments to $12,737,700 in 2023-24 and $3,427,400 in 2024-25.

Provide $3,607,100 FED in 2023-24 and $3,426,700 FED in 2024-25 to reflect an estimate of the increase in federal matching funds that the state would receive for hospital critical access hospital payments under provisions of the bill, due to changes in the effective federal matching rate for supplements that would apply as the result of: (a) adopting full Medicaid expansion; and

(b) making critical access hospital access payments for hospital services rendered to childless adults.

Critical access hospitals are a class of hospital which have 25 or fewer beds, generally in rural areas. Like for acute care hospitals, DHS collects a hospital assessment from critical access hospitals, using the same percentage rate that is used for the acute care hospitals. Since this rate decreases each year, the amount collected also decreases.

As with the acute care hospital access payments, the formula change summarized under this item would increase the total payments. However, with the effect of adopting full Medicaid expansion and making access payments for childless adults the effective federal matching rate for those payments would increase. Thus, the increase in federal matching funds is approximately equal to the increase in the access payment total. The following table compares the current law formula with the formula under the bill. Also as with the acute care hospital supplement calculations, the increase in total payments differs slightly from the increase in federal match due to rounding of percentages used for the calculation.

	Current Law Formula		Bill Formula With Full Medicaid Expansion	
	2023-24	2024-25	2023-24	2024-25
Est. Assessment Rev.	$5,631,400	$5,349,800	$5,631,400	$5,349,800
Divided by…	61.68%	61.68%	44.21%	44.21%
Equals Total Supplements	$9,130,000	$8,673,500	$12,737,800	$12,100,900
Increase in Total Payments			$3,607,800	$3,427,400
Weighted Avg. FMAP*				
For Access Payments	61.52%	60.87%	72.42%	71.95%
FED Share	$5,616,800	$5,279,600	$9,224,700	$8,706,600
SEG Share	$3,513,200	$3,393,900	$3,513,100	$3,394,300
Increase in Federal Match			$3,607,900	$3,427,000

* For the full expansion columns, the average FMAP reflects the estimated weighted average when childless adults are included in the access payment pool, and also includes the 5.0 percentage point federal incentive for adopting full Medicaid expansion.

[Bill Section: 1077]

7. HOSPITAL REIMBURSEMENT RATE INCREASE

GPR	$23,111,500
FED	45,037,300
Total	$68,148,800

Governor: Provide $22,716,300 ($7,605,400 GPR and $15,110,900 FED) in 2023-24 and $45,432,500 ($15,506,100 GPR and $29,926,400 FED) in 2024-25 to support reimbursement rate increases for hospital services under MA. Require DHS, if the state has adopted full Medicaid expansion, to increase the reimbursement rates paid for hospital services by $7,605,400 as the state share of payments, in addition to the applicable federal matching funds, in 2023-24, and by $15,506,100 as the state share of payments, in addition

to the applicable federal matching funds, in 2024-25. Specify that the Department shall limit payment to hospitals to the upper payment limit under the Medicare program if the increase to the reimbursement under this item would otherwise exceed that limit.

The funding that would be provided under this item is based on an estimate, using 2022 cost and payment data, of the increase to base inpatient and outpatient hospital payments that would be needed so that total payments, including hospital supplements, would equal 85% of total hospital costs that can be allocated to MA patients. This calculation is done for all hospitals in aggregate; the actual percentage would vary by hospital. The proposed increase to payments would begin with the calendar year 2024 hospital rates.

The federal matching funds that are associated with the GPR allocations under this item are based on the assumption that the state would adopt full Medicaid expansion, and so would become eligible for a two-year, 5.0 percentage point increase to the state's standard FMAP. To provide the same level of total funding for hospital payments without this incentive would require $8,741,200 GPR and $13,975,100 FED in 2023-24 and $17,777,700 GPR and $27,654,800 FED in 2024-25.

[Bill Section: 9119(8)]

8. PEDIATRIC HOSPITAL SUPPLEMENT

GPR	$5,432,700
FED	14,567,300
Total	$20,000,000

Governor: Specify that DHS may, using a method determined by the Department, distribute $10,000,000 in each fiscal year to free-standing pediatric teaching hospitals located in Wisconsin for which 45% or more of their total inpatient days are for MA recipients. Currently, Children's Hospital of Wisconsin is the only hospital in the state that would be eligible for this payment.

Provide $10,000,000 ($2,693,600 GPR and $7,306,400 FED) in 2023-24 and $10,000,000 ($2,739,100 GPR and $7,260,900 FED) in 2024-25 for making this payment. The estimated split between GPR and FED funding for these payments is based on the federal matching rate applicable for expenditures under the children's health insurance program (CHIP), which is 73.06% in 2023-24 and 72.61% in 2024-25.

Require DHS to distribute $2,000,000 from existing appropriations to acute care hospitals located in Wisconsin that have inpatient days in the hospital’s acute care and intensive care pediatric units (excluding neonatal intensive care units) that exceed 12,000 days in the second calendar year prior to the hospital's current fiscal year. DHS already makes such payments under terms in the state's Medicaid plan, but the terms are not established in state statute. Since these payments are currently made from the MA program budget, no additional funds are provided by the bill. Currently, UW Hospital and Clinics and Children's Hospital of Wisconsin receive these supplemental payments.

[Bill Section: 1079]

9. GRADUATE MEDICAL EDUCATION SUPPLEMENT

GPR	$1,267,700
FED	2,482,300
Total	$3,750,000

Governor: Provide $1,875,000 ($627,800 GPR and $1,247,200 FED) in 2023-24 and $1,875,000 ($639,900 GPR and $1,235,100 FED) in 2024-25 to increase grants paid to hospitals to fund the creation of new accredited graduate medical training programs and the addition of positions to existing programs in hospitals serving a rural or underserved community. Increase a statutory limit on the term of grants provided for new training programs for rural hospitals from three years to five years. Under current law, grants to expand existing residency programs are subject to per-hospital and per-position annual limits. Increase the per-hospital limit from $225,000 GPR (approximately $575,000 all funds) to $450,000 GPR (approximately $1,150,000 all funds). Increase the per-position limit from $75,000 GPR (approximately $191,700 all funds) to $150,000 GPR (approximately $383,400 all funds).

Under current law, residency positions must be in one of the following disciplines to qualify for grant funding: (a) family medicine; (b) pediatrics; (c) psychiatry; (d) general surgery; and (e) internal medicine. Hospitals in the City of Milwaukee are ineligible for grants to establish new residency programs.

The base GPR funding for graduate medical training grants is $3,313,000, an amount that is generally eligible for federal Medicaid matching funds at the applicable FMAP. The Administration's fiscal estimate for this item (GPR and FED share) is based on the cost of increasing the per-position grant by $75,000 for 25 positions, for a total of $1,875,000 annually.

The funding provided reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, providing the specified increases to graduate medical education grants would require $721,500 GPR and $1,153,500 FED in 2023-24 and $733,700 GPR and $1,141,300 FED in 2024-25.

[Bill Sections: 2302 and 2303]

10. PRIMARY CARE REIMBURSEMENT RATE INCREASE

GPR	$64,150,800
FED	125,010,300
Total	$189,161,100

Governor: Provide $63,053,700 ($21,110,400 GPR and $41,943,300 FED) in 2023-24 and $126,107,400 ($43,040,400 GPR and $83,067,000 FED) in 2024-25 to support reimbursement rate increases for primary care medical services under MA. Require DHS, if the state has adopted full Medicaid expansion, to increase the reimbursement rates paid for primary care services by $21,110,400 as the state share of payments, in addition to the applicable federal matching funds, in 2023-24, and by $43,040,400 as the state share of payments, in addition to the applicable federal matching funds, in 2024-25. The funding provided under this item is based on an estimate of the amount needed to increase the reimbursement rates for primary care services to 80% of the amount that Medicare pays for primary care services, with an effective date of January 1, 2024.

The federal matching funds that are associated with the GPR allocations under this item are based on the assumption that the state would adopt full Medicaid expansion, and so would become

eligible for a two-year, 5.0 percentage point increase to the state's standard FMAP. To provide the same level of total funding for hospital payments without this incentive would require $24,263,100 GPR and $38,790,600 FED in 2023-24 and $49,345,800 GPR and $76,761,600 FED in 2024-25.

[Bill Section: 9119(9)]

11. EMERGENCY PHYSICIAN REIMBURSEMENT RATE INCREASE

GPR	$11,013,500
FED	21,461,900
Total	$32,475,400

Governor: Provide $10,825,200 ($3,624,300 GPR and $7,200,900 FED) in 2023-24 and $21,650,200 ($7,389,200 GPR and $14,261,000 FED) in 2024-25 to increase the reimbursement rates for emergency physician services. The funding provided under this item is based on an estimate of the amount needed to increase the reimbursement rates for emergency physician services to 50% of the amount that Medicare pays for emergency physician services, with an effective date of January 1, 2024.

The funding split between GPR and FED sources under this item reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, the same reimbursement rate increases would require $4,165,500 GPR and $6,659,700 FED in 2023-24 and $8,471,700 GPR and 13,178,500 FED in 2024-25.

12. OUTPATIENT BEHAVIORAL HEALTH AND DAY TREATMENT REIMBURSEMENT RATE INCREASES

GPR	$5,765,300
FED	11,234,800
Total	$17,000,100

Governor: Provide $5,666,700 ($1,897,200 GPR and $3,769,500 FED) in 2023-24 and $11,333,400 ($3,868,100 GPR and $7,465,300 FED) in 2024-25 to support reimbursement rate increases for outpatient mental health and substance abuse services and for child-adolescent day treatment services. The bill does not include statutory or nonstatutory provisions dictating the specific manner in which these rate increases are to be implemented. Instead, the Administration indicates that the intent is that the Department would determine how to utilize the funding provided to increase the reimbursement rates for these services.

The funding split between GPR and FED sources under this item reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, the same level of total funding for reimbursement rate increases would require $2,180,500 GPR and $3,486,200 FED in 2023-24 and $4,434,700 GPR and 6,898,700 FED in 2024-25.

13. AUTISM SERVICES REIMBURSEMENT RATE INCREASE

GPR	$4,146,100
FED	8,079,500
Total	$12,225,600

Governor: Provide $4,075,200 ($1,364,400 GPR and $2,710,800 FED) in 2023-24 and $8,150,400 ($2,781,700 GPR and $5,368,700 FED)

in 2024-25 to support an increase to the reimbursement rate for autism treatment services. The funding provided under this item is based on an estimate of the cost to increase the reimbursement rate by 43%. The funding split between GPR and FED sources under this item reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, the same reimbursement rate increase would require $1,568,100 GPR and $2,507,100 FED in 2023-24 and $3,189,300 GPR and 4,961,100 FED in 2024-25.

14. LEAD INVESTIGATION SERVICES

GPR	$624,600
FED	1,223,200
Total	$1,847,800

Governor: Provide $923,900 ($309,300 GPR and $614,600 FED in 2023-24 and $923,900 ($315,300 GPR and $608,600 FED) in 2024-25 to reflect an increase in the number of dwelling lead investigations that would be conducted by local public health departments as the result of a proposed change to the blood lead level threshold for children under six years of age that triggers such an investigation, as well as an increase to the reimbursement rate for lead investigations.

A separate item, summarized under Health Services -- Public Health, would require local public health departments to conduct a lead investigation of a child's dwelling whenever a blood lead level test result for a child under six years of age indicates a level of lead in the blood that is 3.5 or more micrograms per 100 milliliters of blood. Under current law, the health department may, but is not required to, conduct such an investigation if the test shows a level of lead that is 5.0 or more micrograms per 100 milliliters of blood. The Administration's fiscal estimate assumes that, with the new threshold and the lead investigation requirement, the volume of lead investigations for children enrolled in MA would increase from approximately 100 annually to 650 annually. In addition, the Administration assumes that the maximum reimbursement for an investigation would be increased from $800 to $1,500, to more closely match the public health departments' costs.

The funding split between GPR and FED sources under this item reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, funding the additional cost for lead investigations would require $355,500 GPR and $568,400 FED in 2023-24 and $364,300 GPR and $559,600 FED in 2024-25.

15. COMMUNITY SUPPORT PROGRAM

GPR	$40,755,600

Governor: Provide $19,239,100 in 2023-24 and $21,516,500 in 2024-25 for MA services provided under the community support program (CSP), reflecting a shift from counties to the state for the responsibility of paying the nonfederal share of CSP services. Require DHS to provide reimbursement payments to counties for CSP services for both the federal and nonfederal share of the payment, instead of, under current law, only the federal share. Delete CSP services from a list of county services for which counties may submit a cost report to DHS for a partial cost reconciliation payment.

The community support program is a county-based psychosocial rehabilitation program under MA, commonly used for persons with schizophrenia, bipolar disorder, schizoaffective disorder, or recurrent major depression. Approximately 4,000 individuals receive CSP services per year. Specific treatment services include individual, family, and group psychotherapy, medications, and crisis intervention. Services are delivered using a treatment team approach, with each individual having a case manager who maintains a clinical treatment relationship with the client on a continuing basis. Currently, the MA reimbursement payment to counties consists of only the federal matching funds, meaning that counties are responsible for the nonfederal share. This item would shift the responsibility for the nonfederal share to the state, paid with GPR budgeted in the MA program. The fiscal effect this item is based on the average nonfederal share of CSP reimbursement payments in 2020-21 and 2021-22, with a growth rate of 5% in 2023-24 and an additional 10% in 2024-25, based on the assumption that CSP services would be more consistently offered across all counties if the state is responsible for the nonfederal share of payments.

[Bill Sections: 1083, 1084, 1104, and 1105]

16. RESIDENTIAL SUBSTANCE USE DISORDER ROOM AND BOARD FUNDING

GPR	$16,619,000

Governor: Provide $8,309,500 annually in the GPR appropriation for Medical Assistance to support the room and board costs of MA enrollees receiving residential substance use disorder treatment. Specify that room and board costs for residential substance use disorder treatment is a reimbursable service category under MA.

MA provides coverage of residential substance abuse disorder treatment for individuals who need a 24-hour, structured environment that is removed from their normal social routine. While the program reimburses residential treatment providers for services, the costs of room and board are not reimbursable, as federal Medicaid law does not provide coverage of room and board costs in a residential treatment facility. Consequently, room and board costs must be covered through other sources, such as the individual's county social services department. This item would provide funding for a GPR-only reimbursement of room and board costs under MA.

The funding for this item is based on the assumption that current utilization of residential substance use treatment would increase by 10% as the result of providing coverage of room and board costs. However, the Administration also estimates that utilization of inpatient hospital substance use treatment would decrease by 25%, partially offsetting the additional cost. The cost of room and board is covered under the reimbursement of inpatient hospital services.

[Bill Section: 1108]

17. INTEGRATED STABILIZATION, INTOXICATION MONITORING, AND DETOXIFICATION FACILITY SERVICES

Governor: Establish detoxification and stabilization services as a covered service under the

Medical Assistance program. Define a *detoxification and stabilization service* as any one of the following (defined terms in italics):

(a) an *adult residential integrated behavioral health stabilization service*, defined as a residential behavioral health treatment service, delivered under the oversight of a medical director, that provides withdrawal management and intoxication monitoring, as well as integrated behavioral health stabilization services, and includes nursing care on site for medical monitoring available on a 24-hour basis. Specify that an adult residential integrated behavioral health stabilization service may include the provision of services including screening, assessment, intake, evaluation and diagnosis, medical care, observation and monitoring, physical examination, determination of medical stability, medication management, nursing services, case management, drug testing, counseling, individual therapy, group therapy, family therapy, psychoeducation, peer support services, recovery coaching, recovery support services, and crisis intervention services, to ameliorate acute behavioral health symptoms and stabilize functioning;

(b) a *residential withdrawal management service*, defined as a residential substance use treatment service that provides withdrawal management and intoxication monitoring, and includes medically managed 24-hour on-site nursing care, under the supervision of a physician. Specify that a residential withdrawal management service may include the provision of services, including screening, assessment, intake, evaluation and diagnosis, medical care, observation and monitoring, physical examination, medication management, nursing services, case management, drug testing, counseling, individual therapy, group therapy, family therapy, psychoeducation, peer support services, recovery coaching, and recovery support services, to ameliorate symptoms of acute intoxication and withdrawal and to stabilize functioning. Specify that a residential withdrawal management service may also include *community-based withdrawal management* and intoxication monitoring services; or

(c) a *residential intoxication monitoring service*, defined as a residential service that provides 24-hour observation to monitor the safe resolution of alcohol or sedative intoxication and to monitor for the development of alcohol withdrawal for intoxicated patients who are not in need of emergency medical or behavioral healthcare. Specify that a residential intoxication monitoring service may include the provision of services including screening, assessment, intake, evaluation and diagnosis, observation and monitoring, case management, drug testing, counseling, individual therapy, group therapy, family therapy, psychoeducation, peer support services, recovery coaching, and recovery support services.

Define *community-based withdrawal management*, as a medically managed withdrawal management service delivered on an outpatient basis by a physician or other service personnel acting under the supervision of a physician.

Authorize DHS to submit to the federal Department of Health and Human Services any request for a state plan amendment, waiver, or other federal approval necessary to provide reimbursement for detoxification and stabilization services. Specify that if request is approved or if no federal approval is necessary, the Department shall provide the reimbursement under MA for detoxification and stabilization services, but if the request is not approved, the Department may not provide the reimbursement for such services under MA.

Currently under MA, detoxification is a covered service only if provided in a hospital setting. This item would establish eligibility for residential detoxification and stabilization services in one of three residential facility types intended for individuals who are not in need of full hospitalization. The bill would not provide funding in MA for reimbursement of this service. The Administration anticipates that reimbursement for these services would begin once the benefit standards and eligibility criteria are established, which, if this item is approved, would be expected to occur in the 2025-27 biennium. The Department is currently providing some grants for residential detoxification services using supplemental federal substance abuse block grant funds received under ARPA.

[Bill Sections: 1095 and 1113]

18. COMMUNITY HEALTH SERVICES COVERAGE

GPR	$9,179,300
FED	16,320,700
Total	$25,500,000

Governor: Provide $1,000,000 ($500,000 GPR and $500,000 FED) in 2023-24 and $24,500,000 ($8,679,300 GPR and $15,820,700 FED) in 2024-25 to fund a new MA benefit, subject to federal approval, for nonmedical services that contribute to determinants of health. Direct the Department to determine which specific nonmedical services that contribute to determinants of health would be included as an MA benefit, and require the Department to seek any necessary plan amendment or request any waiver of federal Medicaid law to implement this benefit. Specify that DHS is not required to provide these services as a benefit if the federal Department of Health and Human Services does not provide federal matching funds for these services.

The Administration indicates that the eligible services under the proposed benefit may include housing referrals, nutritional mentoring, stress management, and other services that would positively impact an individual's economic and social condition. The Administration's funding estimate assumes that approximately 12,500 individuals would be served on a monthly basis, at an average cost of $300 per person per month, for an annual total of $45.0 million. Assuming the benefit would begin in January of 2025, the bill provides $22,500,000 ($7,679,300 GPR and $14,820,700 FED) in fiscal year 2024-25 in the MA benefits appropriations.

The funding provided reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, providing coverage of community health services would require $8,804,300 GPR and $13,695,700 FED.

In addition to MA benefits, this item also includes $1,000,000 ($500,000 GPR and $500,000 FED) in 2023-24 and $2,000,000 ($1,000,000 GPR and $1,000,000 FED) in 2024-25 for costs to implement and administer the benefit.

[Bill Sections: 1114 and 1117]

19. COMMUNITY HEALTH WORKER SERVICES

GPR	$6,562,000
FED	12,664,600
Total	$19,226,600

Governor: Provide $19,226,600 ($6,562,000 GPR and $12,664,600 FED) in 2024-25 to fund coverage of community health worker services under MA. Community health workers would act under the supervision of physicians or other licensed medical professionals and provide services within those professionals' existing scopes of practice.

The funding provided reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, providing coverage of community health worker services would require $7,523,400 GPR and $11,703,200 FED in 2024-25.

Community health workers are frontline public health workers who are trusted members or have close understanding of the community they serve, enabling the worker to serve as a liaison, link, or intermediary between health and social services and the community to facilitate access to services and improve the quality and cultural competence of service delivery. Community health worker services build individual and community capacity by increasing health knowledge and self-sufficiency through a range of activities such as outreach, community education, informal counseling, social support, and advocacy.

The Administration's intent would be to submit a state Medicaid plan amendment to allow for the reimbursement of community health worker services that fall under federal authority for coverage of prevention activities. The funding estimate for this item is based on the cost of supporting the compensation and overhead costs of the full time equivalent of 275 community health workers, estimated at $19.2 million per year.

20. COVERAGE OF CONTINUOUS GLUCOSE MONITORING AND INSULIN PUMP DEVICES

GPR	$4,641,700
FED	8,958,300
PR	9,600,000
Total	$23,200,000

Governor: Provide $23,200,000 ($4,641,700 GPR, $8,958,300 FED, and $9,600,000 PR) in 2024-25 to support the cost of providing coverage for continuous glucose monitoring devices and insulin pumps for diabetic care as a pharmacy benefit, rather than, under to current MA policy, through the durable medical equipment benefit. The funding increase under this item is based on the assumption that better access to these devices would increase utilization. The PR funding increase reflects an anticipated increase in drug rebate revenue.

A continuous glucose monitor is a device used by people with diabetes to monitor their blood glucose levels on a frequent, regular basis. The device, which is implanted under the skin, includes a transmitter that sends glucose readings to an external monitor (such as a phone) or, alternatively, can be used to automatically trigger an insulin pump when needed.

The funding split between GPR and FED sources under this item reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full

expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, the coverage of continuous glucose monitors and insulin pumps would require $5,321,700 GPR and $8,278,300 FED in 2024-25.

21. HEALTH INFORMATION EXCHANGE INCENTIVE

GPR	$6,981,400
FED	13,706,600
Total	$20,688,000

Governor: Provide $12,224,000 ($4,092,600 GPR and $8,131,400 FED) in 2023-24 and $8,464,000 ($2,888,800 GPR and $5,575,200 FED) in 2024-25 to support the cost of a health information exchange incentive payment program for certain health care providers. Require DHS to develop a health information exchange incentive payment under MA for nonhospital providers, including physicians, clinics, health departments, home health agencies, and post-acute care facilities. Specify that the payment system shall be based on performance to incentivize participation in health information data sharing to facilitate better patient care, reduced costs, and easier access to patient information. Require the Department to establish performance metrics for the payment system that satisfy all of the following: (a) include participation by providers in a health information exchange at a minimum level of patient record access; (b) the payments increase as the participation level in the health information exchange increases; (c) the payment system begins in the 2024 rate year; and (d), the Department shall seek any available federal moneys for payments under the incentive system.

The Administration indicates that the intent of this item is that the Department would develop an incentive payment program with the funding provided. The funding split between GPR and FED sources under this item reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, the same total amount of funding for incentive payments would require $4,703,800 GPR and $7,520,200 FED in 2023-24 and $3,312,000 GPR and 5,152,000 FED in 2024-25.

[Bill Section: 1080]

22. SCHOOL-BASED SERVICES FEDERAL FUNDING

GPR-REV-$112,428,000

Governor: Increase the share of federal Medicaid matching funds that DHS is required to provide to school districts, cooperative educational service agencies (CESAs), or the Department of Public Instruction (DPI) from amounts received by the Department from the federal government for school-based medical services provided by those entities under MA from 60% to 100%. Increase the share of matching funds received for the cost of eligible administrative expenses related to school-based medical services that the Department must provide to these entities from 90% to 100%. Decrease estimated general fund revenue by $58,358,200 in 2023-24 and $54,069,800 in 2024-25, to reflect that the current non-school entity share of the federal matching funds (40% for medical services and 10% for administration) would no longer be deposited in the general fund.

Under current law, the Department claims federal matching funds for eligible medical services provided to MA-eligible pupils by school districts, cooperative educational service

agencies, and DPI via the Wisconsin Center for the Blind and Visually Impaired and the Wisconsin Educational Services Program for the Deaf and Hard of Hearing. Current law requires DHS to provide 60% of the federal reimbursement received for medical services to the school entities that provided the services, while the remaining 40% is deposited into the general fund. Additionally, current law requires DHS to provide 90% of the federal reimbursement received for eligible administrative expenses to the school entities, depositing 10% into the general fund. The bill would increase the funding provided to school entities to 100% of the federal reimbursement that DHS receives, both for medical services and administrative costs, ending the deposits into the general fund. The school entities would continue to be responsible for the non-federal share of the cost of the medical services and of the administrative costs.

The change in revenue estimates reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal match received for school-based services would decrease. In that case, providing 100% of the federal reimbursement to school entities would reduce GPR revenue by $54,125,900 in 2023-24 and $50,110,700 in 2024-25.

School-based services must be identified in a student's Individualized Education Program (IEP), and can include nursing, occupational therapy, physical therapy, psychological services, counseling, social work, speech-language pathology, audiology, hearing services, transportation, and developmental testing and assessments.

[Bill Sections: 1097 and 1098]

23. COVERAGE OF SCHOOLS AS TELEHEALTH ORIGINATING SITES

GPR	$3,719,300
FED	7,247,600
Total	$10,966,900

Governor: Provide $3,644,900 ($1,220,300 GPR and $2,424,600 FED) in 2023-24 and $7,322,000 ($2,499,000 GPR and $4,823,000 FED) to fund reimbursement under MA for schools when they act as the originating (or host) site for MA services delivered via telehealth. The funding provided under this item reflects the Administration's intent that this change would take effect on January 1, 2024.

The funding provided reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, providing coverage of schools as telehealth originating sites would require $1,402,600 GPR and $2,242,300 FED in 2023-24 and $2,865,100 GPR and $4,456,900 FED in 2024-25.

Currently, schools can collaborate with MA providers to offer MA covered services, such as mental health services, to students in school, including via telehealth. The medical professionals providing the services are reimbursed in the same way they would be for services delivered in a clinic or any other setting, but schools do not receive reimbursement. The funding provided reflects the Administration's intent to reimburse schools that provide MA services via telehealth $22 per telehealth session. Other facilities currently qualify for similar reimbursement when they host telehealth services, including pharmacies, skilled nursing facilities, hospitals, clinics, and medical

practices.

24. CERTIFIED PEER SPECIALIST SERVICES

GPR	$1,268,100
FED	2,447,400
Total	$3,715,500

Governor: Provide $3,715,500 ($1,268,100 GPR and $2,447,400 FED) in 2024-25 for reimbursement of certified peer specialist services under MA.

Include certified peer specialist services as an eligible service category under MA, along with, under current law, peer recovery coach services. Require DHS to establish a certification process under MA for certified peer specialists. Define a "certified peer specialist" as an individual who has experience in the mental health and substance use services system, who is trained to provide support to others, and who has received peer specialist or parent peer specialist certification under the rules established by the Department.

Require DHS to provide reimbursement for peer specialist services under MA if the service satisfies all of the following conditions: (a) the recipient of the service provided by a certified peer specialist is in treatment for or recovery from a mental illness or a substance use disorder; (b) the certified peer specialist provides the service under the supervision of a competent mental health professional; (c) the certified peer specialist provides the service in coordination with the MA beneficiary's individual treatment plan and in accordance with their individual treatment goals; and (d) the certified peer specialist providing the service has completed training requirements, as established by the Department by rule, after consulting with members of the recovery community.

Modify a provision relating to coordination of care in cases of a substance use overdose to require DHS to facilitate the use of certified peer specialists (in addition to peer recovery coaches, as under current law) by overdose treatment providers in order to encourage individuals to seek treatment following an overdose incident.

Authorize DHS to promulgate emergency rules establishing the training requirements for peer specialists certification under MA, without meeting the normal prerequisites for an emergency rule. Specify that any such emergency rule remains in effect until January 1, 2025, or until the permanent rules take effect, whichever is sooner.

Services of certified peer specialists are reimbursable under MA under the comprehensive community services (CCS) benefit, but not as a standalone service. This item would allow for MA coverage of peer specialist services for persons not enrolled in CCS. The Administration anticipates that, if approved, reimbursement of these services would begin in 2024-25.

The funding provided reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, providing coverage of peer specialist services would require $1,453,900 GPR and $2,261,600 FED in 2024-25.

[Bill Sections: 807 thru 811, 1090 thru 1094, 1112, and 9119(4)]

25. COVERAGE OF ACUPUNCTURE SERVICES

GPR	$1,092,200
FED	2,107,800
Total	$3,200,000

Governor: Provide $3,200,000 ($1,092,200 GPR and $2,107,800 FED) in 2024-25 to fund a new MA benefit, subject to federal approval, for acupuncture services provided by a certified acupuncturist. Require DHS to submit any necessary plan amendment or request any necessary waiver of federal Medicaid law to implement this benefit. Specify that DHS shall provide this benefit only if the federal government approves the request or if no approval is necessary. The funding provided reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, the funding for acupuncture coverage would be $1,252,200 GPR and $1,947,800 FED.

[Bill Sections: 1109 and 1116]

26. PSYCHOSOCIAL REHABILITATION SERVICES BY NON-COUNTY PROVIDERS

GPR	$691,900
FED	1,335,300
Total	$2,027,200

Governor: Provide $2,027,200 ($691,900 GPR and $1,335,300 FED) in 2024-25 to expand access to medical assistance psychosocial rehabilitation services through the use of non-county providers.

Authorize DHS to certify providers of psychosocial rehabilitation services that are not county-based providers. Require DHS to provide reimbursement to non-county providers for both the federal share and the nonfederal share of the payment. Eliminate the condition for MA reimbursement of psychosocial rehabilitation services that the services are provided to an individual whose county of residence makes the services available. Authorize DHS to promulgate administration rules, update MA program policies, and request any state plan amendment or federal waiver from the federal government as necessary to provide reimbursement to non-county based providers of psychosocial rehabilitation services.

Psychosocial rehabilitation services include peer support, employment-related skills training, personal skills development, physical health monitoring and management, and case management. These services are designed to complement psychiatric and pharmacological treatment for mental health or substance use conditions. Under current law, these services are provided only through the county-based behavioral health system, such as the comprehensive community services (CCS) benefit. These services are only available to medical assistance enrollees who reside in counties that have elected to provide these services and demonstrate behavioral health needs meeting their county's eligibility requirements. This item seeks to increase access to psychosocial rehabilitation services by making them available for enrollees in counties that do not offer the benefit and to enrollees who may not meet the eligibility criteria for CCS, or another similar program.

The funding provided under this item reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In

that case, providing reimbursement for non-county providers would require $793,200 GPR and $1,233,900 FED in 2024-25.

[Bill Sections: 1085 thru 1089, and 9119(2)]

27. COVERAGE OF DOULA SERVICES

GPR	$449,300
FED	867,100
Total	$1,316,400

Governor: Provide $1,316,400 ($449,300 GPR and $867,100 FED) in 2024-25 to fund MA coverage of doula services. Require DHS, subject to federal approval, to reimburse certified doulas for childbirth education and support services, including emotional and physical support provided during pregnancy, labor, birth, and the postpartum period. Require DHS to apply for any necessary waivers of federal Medicaid law and submit any necessary state plan amendments to provide coverage of doula services under MA. Define a certified doula as an individual who has received certification from a doula certifying organization recognized by DHS.

The Administration estimates that coverage of doula services would begin July 1, 2024, and that approximately 1,145 women would access the benefit in 2024-25 at a cost of $1,150 each.

The funding provided reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, providing coverage of doula services would require $515,100 GPR and $801,300 FED.

[Bill Sections: 1096 and 1110]

28. DENTAL HEALTH COORDINATOR GRANTS

GPR	$900,000
FED	900,000
Total	$1,800,000

Governor: Increase funding for MA and FoodShare administrative contracts by $600,000 ($300,000 GPR and $300,000 FED) in 2023-24 and $1,200,000 ($600,000 GPR and $600,000 FED) in 2024-25 to fund grants to support community dental health coordinators. Expand the purposes of the administrative contracts appropriations to include the new grant program.

The Administration's intent is to support the creation of six regional dental coordination programs covering the state, and to provide each program with annual grants of $200,000 (all-funds), beginning January 1, 2024. The Department intends to implement the Community Dental Health Coordinator model developed by the American Dental Association, which has been implemented in several other states. The model employs health professionals such as dental hygienists, with additional training in case management, health education, and benefits navigation. These coordinators would work with patients in settings such as emergency departments, health clinics, and public health departments to connect MA members with dental services available in their area that are appropriate to their needs.

[Bill Sections: 404, 408, and 813]

29. JOINT COMMITTEE ON FINANCE REVIEW PROCESS FOR FEDERAL WAIVERS AND MA PROGRAM CHANGES

Governor: Repeal provisions enacted as part of 2017 Wisconsin Act 370 that require DHS to submit all MA state plan amendments, rate changes, and supplemental payments to the Joint Committee on Finance for review and approval under a 14-day passive review process if the amendment, rate change, or payment has an expected fiscal effect of $7,500,000 or more from all revenue sources over a 12-month period following the implementation date of the amendment, rate change, or payment.

Repeal Act 370 provisions that require DHS to follow various procedures related to requests to a federal agency for a waiver, or a renewal, modification, withdrawal, suspension, or termination of a waiver of federal law or rules, or for federal authorization to implement a pilot program or demonstration project. Repeal an Act 370 provision that requires the Office of the Commissioner of Insurance to comply with the waiver request oversight provisions described above as it relates to any renewal or modification of a waiver request for the Wisconsin healthcare stability program. Authorize DHS to submit a request to the federal Department of Health and Human Services to modify or withdraw the federal waiver relating to coverage and eligibility requirements for childless adults under MA.

[Bill Sections: 570, 1075, 1081, 1082, 1103, 2632, 3046, and 9119(3)]

30. SENIORCARE REESTIMATE

GPR	$2,310,200
FED	8,775,000
PR	15,675,600
Total	$26,760,800

Governor: Provide $7,491,800 ($375,200 GPR, $3,626,200 FED, and $3,490,400 PR) in 2023-24 and $19,269,000 ($1,935,000 GPR, $5,148,800 FED, and $12,185,200 PR) in 2024-25 to fully fund benefits under the SeniorCare program. SeniorCare provides pharmacy benefits for Wisconsin residents over the age of 65 who are not eligible for full Medicaid benefits.

The funding provided reflects a two-year increase in federal matching rates the state would qualify for by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, fully funding benefits under the SeniorCare program would require $4,096,600 GPR, -$95,200 FED and $3,490,400 PR in 2023-24 and $3,845,200 GPR, $3,238,600 FED, and $12,185,200 PR in 2024-25, as shown in the table below.

The program is supported with a combination of state funds (GPR), federal funds the state receives under a Medicaid demonstration waiver (FED), and program revenue (PR) from rebate payments DHS collects from drug manufacturers. The program has four income eligibility categories: (a) less than 160% of the federal poverty level (FPL); (b) 160% of FPL to 200% of FPL; (c) 200% of FPL to 240% of FPL; and (d) greater than 240% of FPL. Each of these eligibility tiers has different requirements for deductibles. Persons in the last category, known as "spend-down" eligibility, do not receive benefits until they have out-of-pocket drug expenses in an annual period that exceed the difference between their annual income and 240% of the FPL, plus the deductible.

The federal Medicaid matching funds apply only to participants with incomes under 200% of the federal poverty line. Based on recent trends, manufacturer rebates (PR) are expected to cover 73% of costs for this group. With the temporary increase in federal matching rates related to full Medicaid expansion, federal funds would cover approximately 17% of costs for this group and the GPR portion would be 10%. If full expansion is not adopted, federal funds would cover 15% and the GPR portion would be 12%. Due to temporary changes to the federal matching rate made in response to the COVID-19 pandemic and lag in the receipt of rebates, if full expansion is not adopted the federal share will be approximately one percentage point lower in 2023-24. Variation in agreements with manufacturers and drug utilization means that the percentage of costs covered by rebates is typically higher for participants with incomes above 200% of the poverty line; for this group rebates (PR) cover about 83% of benefit costs, while the remainder is GPR.

Although the Administration estimates that each fund source's share of costs for each income group will remain approximately constant over the biennium, the enrollment in each group is expected to change, as are the per-member average costs. The Administration forecasts that enrollment will continue to increase for each group at the same annual rates as in fiscal year 2021-22: 1.2% for the group with income under 160% of FPL, 2.5% for 160–200%, 5.6% for 200–240%, and 10.2% for over 240%. Based on historical drug price inflation and Federal Reserve inflation forecasts, the Administration forecasts that per-member costs will increase for the first three enrollment groups by 9.0% per year in 2022-23, 6.4% in 2023-24, and 5.9% in 2024-25. Per-member costs in the spend-down enrollment group are forecasted to remain flat.

The base funding for SeniorCare is $133,343,400 ($17,971,900 GPR, $17,738,300 FED, and $97,633,200 PR). Under the Administration's present forecast, FED expenditures in 2022-23 are expected to be above the base level, while PR expenditures are expected to be lower. This has the effect of increasing the FED change to base relative to the forecasted growth described above, and partially offsetting the PR change to base. In addition, the expiration of the COVID-19 matching rate noted above increases the required GPR and decreases the required FED, particularly in 2023-24. These amounts are shown in the tables below, along with estimated enrollment in each income group for the current year and both years of the upcoming biennium.

SeniorCare Funding by Fund Source

	GPR	FED	PR	Total
2022-23 Base Funding	$17,971,900	$17,738,300	$97,633,200	$133,343,400
2023-24 Cost-to-Continue	4,096,600	-95,200	3,490,400	7,491,800
2023-24 Two-Year MA Expansion FMAP	-3,721,400	3,721,400	0	0
2023-24 Total Funding	$18,347,100	$21,364,500	$101,123,600	$140,835,200
2024-25 Cost-to-Continue	3,845,200	3,238,600	12,185,200	19,269,000
2024-25 Two-Year MA Expansion FMAP	-1,910,200	1,910,200	0	0
2024-25 Total Funding	$19,906,900	$22,887,100	$109,818,400	$152,612,400

SeniorCare Enrollment Estimates

Income Category	2022-23	2023-24	2024-25
Less than 160% of FPL	27,200	27,600	27,900
160% of FPL to 200% of FPL	17,000	17,400	17,900
200% of FPL to 240% of FPL	12,100	12,800	13,500
Greater than 240% of FPL	58,400	64,300	70,900
Total Enrollment	114,700	122,100	130,200

31. WISCONSIN CHRONIC DISEASE PROGRAM RE-ESTIMATE

GPR	- $1,331,700
PR	- 793,600
Total	- $2,125,300

Governor: Decrease funding by $1,035,800 (-$643,600 GPR and -$392,200 PR) in 2023-24 and $1,089,500 (-$688,100 GPR and -$401,400 PR) in 2024-25 to reflect estimates of the amounts needed to fully fund the Wisconsin chronic disease program (WCDP) in the 2023-25 biennium. The WCDP funds services for individuals with chronic renal disease, hemophilia, and adult cystic fibrosis that are not covered by other public or private health insurance plans. Enrollees in WCDP are responsible for deductibles and coinsurance based on their household income and size, and copayments on prescription medications. The Department receives rebate revenue from drug manufactures for medications dispensed through WCDP, which is budgeted as program revenue.

Base funding for the program is $4,626,000 ($3,700,800 GPR and $925,200 PR), but expenditures in recent years have been below this level. DHS estimates total program costs will be $3,590,200 ($3,057,200 GPR and $533,000 PR) in 2023-24 and $3,536,500 ($3,012,700 GPR and $523,800 PR) in 2024-25. This estimate includes $500,000 GPR above trend levels in both years as a contingency that would be available if costs exceed the Department's forecasts.

Medical Assistance -- Long-Term Care

1. HOME AND COMMUNITY-BASED SERVICES RATE INCREASE COST-TO-CONTINUE

GPR	$80,976,500
FED	145,954,500
Total	$226,931,000

Governor: Provide $43,115,000 ($15,405,600 GPR and $27,709,400 FED) in 2023-24 and $183,816,000 ($65,570,900 GPR and $118,245,100 FED) in 2024-25 to fund costs associated with the American Rescue Plan Act (ARPA) home and community-based services (HCBS) 5% rate increase from April 1, 2024, through June 30, 2025.

The funding in the bill reflects a two-year increase in federal matching rates for which the state would qualify by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that

case, the Administration estimates that maintaining the 5% rate increase after March 31, 2024, would require $43,115,000 ($16,961,400 GPR and $26,153,600 FED) in 2023-24 and $183,816,000 ($71,925,800 GPR and $111,890,200 FED) in 2024-25.

Under ARPA, states could claim an additional 10% on their federal medical assistance percentage (FMAP) for eligible HCBS expenditures between April, 2021 and March, 2022. ARPA required states to use these additional funds to supplement, not supplant existing state funds, and used on CMS-approved activities that enhance, expand, or strengthen HCBS under the Medicaid program.

The Department's CMS-approved plan included a 5% rate increase for certain HCBS, effective January 1, 2022. This portion of the Department's plan was approved by the Joint Committee on Finance, with the condition that the rate increases are funded with ARPA HCBS reinvestment funding through March 31, 2024. In approving the rate increases, the Committee indicated that it would consider whether these rate increases would be maintained after March 31, 2024, as part of its 2023-25 budget deliberations.

The 5% rate increase applies to 42 service categories across Family Care, Family Care Partnership, IRIS (Include, Respect, I Self-Direct), PACE (Program of All-Inclusive Care for the Elderly), Children's Long-Term Supports (CLTS) Waiver, SSI Managed Care, BadgerCare Plus Managed Care, and Medicaid fee-for-service state plan services, as shown in the following table.

Adult day care service
Alcohol and other drug abuse (AODA)
AODA day treatment
Assistive technology/communication aid
Behavioral treatment services
Care management for Care4Kids
Care management for children with medical complexities
Care management in fee-for-service
Consultative clinical and therapeutic services for caregivers
Consumer-directed supports (self-directed supports) broker
Consumer education and training
Counseling and therapeutic
Environmental accessibility adaptations (home modifications)
Financial management services
Habilitation services (daily living skills training and day habilitation resources)
Home delivered meals
Home health services
Housing counseling
Medication therapy management
Mental health day treatment
Mental health services
Nursing (in-home)
Occupational therapy (in-home)
Personal care
Physical therapy (in-home)
Prenatal care coordination
Prevocational services
Residential care
Residential substance use disorder treatment
Respiratory care
Respite
Self-directed personal care
Skilled nursing services (RN/LPN)
Speech and language pathology services (in-home)
Supported employment - individual employment support
Supported employment - small group employment support
Supportive home care (SHC)
Training services for unpaid caregivers
Transportation (specialized transportation) - community transportation
Transportation (specialized transportation) - other transportation
Transportation services under DHS 107.23
Vocational futures planning and support

2. FAMILY CARE DIRECT CARE REIMBURSEMENT

GPR	$30,000,000
FED	58,752,500
Total	$88,752,500

Governor: Provide $44,802,900 ($15,000,000 GPR and $29,802,900 FED) in 2023-24 and $43,949,600 ($15,000,000 GPR and $28,949,600 FED) in 2024-25 to increase the direct care and services portion of the capitation rates the Department provides to managed care organizations (MCOs) to fund long-term care services for individuals enrolled in Family Care.

The funding in the bill reflects a two-year increase in federal matching rates for which the state would qualify by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, if the intent is still provide $15,000,000 GPR annually, total funding would be $38,981,300 ($15,000,000 GPR and $23,981,300 FED) in 2023-24 and $38,333,800 ($15,000,000 GPR and $23,333,800 FED) in 2024-25.

In prior biennia, the Department has distributed additional funding for this purpose through the Direct Care Workforce Funding Initiative, which required MCOs to pass additional funding on to providers. Subsequently, providers chose how to pass the funding on to their staff, for example, in the form of wage increases, bonuses, or additional paid time off for certain direct care workers, or to fund employer payroll tax increases that result from increasing workers' wages.

This funding would be provided in addition to funding in the bill that the Administration estimates would be needed to fund actuarially sound capitation rates in the 2023-25 biennium, which is included as part of the Medicaid cost-to-continue item.

3. PERSONAL CARE REIMBURSEMENT RATE

GPR	$30,000,000
FED	58,752,500
Total	$88,752,500

Governor: Provide $44,802,900 ($15,000,000 GPR and $29,802,900 FED) in 2023-24 and $43,949,600 ($15,000,000 GPR and $28,949,600 FED) in 2024-25 to increase MA personal care reimbursement rates.

The funding in the bill reflects a two-year increase in federal matching rates for which the state would qualify by adopting full Medicaid expansion. If full expansion is not adopted, the federal share of all benefit expenditures would decrease and the GPR share would increase. In that case, if the intent is still provide $15,000,000 GPR annually, total funding would be $38,981,300 ($15,000,000 GPR and $23,981,300 FED) in 2023-24 and $38,333,800 ($15,000,000 GPR and $23,333,800 FED) in 2024-25.

As of January 1, 2023, the hourly MA personal care reimbursement rate is $23.44. The funding increase provided in the bill is not intended to provide a specific percentage or dollar increase to the MA personal care reimbursement rates, as such distribution of the funds would be determined by the Department upon enactment of the budget.

4. HOME AND COMMUNITY-BASED SERVICES

GPR	$24,845,500
FED	29,337,200
Total	$54,182,700

Governor: Provide $54,182,700 ($24,845,500 GPR and $29,337,200 FED) in 2024-25 to continue, through the end of the 2023-25 biennium, a number of projects started with one-time GPR savings and federal funds the state realized under provisions of the American Rescue Plan Act.

Although not specified in the bill, the Administration indicates it intends to budget the funding under this item as follows.

(a) $44,490,800 ($15,153,600 GPR and $29,337,200 FED) to fund, for the three-month period from April 1 through June 30, 2025, implementation of a minimum fee schedule for certain home and community based services (residential care and supportive home care services) the state provides through its long-term care waiver programs. The Administration estimates the annualized cost of implementing minimum rates for these services will be approximately $178.0 million (all funds).

(b) $627,600 GPR to fund the Wisconsin Personal Caregiver Workforce Careers Program to continue enrolling an additional 5,000 caregivers into the professional certificate program.

(c) $101,500 GPR to provide ongoing funding for the WisCaregiver Career IT platform to remain up-to-date with available resources for caregivers and maintain the technical quality of the website.

(d) $5,500,000 GPR to provide grants to the 11 federally recognized Native American Tribes to make improvements to tribal community facilities and tribal member housing.

(e) $1,702,800 GPR to support the ongoing costs of the tribal aging and disability resources specialists to serve as liaisons between the tribes and the aging and disability resource centers.

(f) $1,060,000 GPR to build a centralized aging and disability resource center website and database that is accessible to Wisconsinites statewide, providing access to information about long-term care supports and services from the comfort of their home while also providing aging and disability resource centers with a database that centers on the individual, rather than the facility.

(g) $100,000 GPR to fund continued licensure and maintenance of a system to coordinate certification status work between the department and managed care organizations.

(h) $100,000 GPR to fund licensure and maintenance of a system devised as a technical solution to improve data entry, review and report generation to comply with a federal rule requiring states to define the qualities of settings eligible for Medicaid home- and community-based services.

[As the funding increase in the bill exceeds the sum of these funding allocations by $500,000 GPR, the funding in the bill should be reduced to meet the Administration's intent.]

Require that the Department allocate not more than $5,500,000 annually to federally-recognized American Indian tribes and bands located in Wisconsin for capital improvements to tribal facilities serving tribal members with long-term care needs and for improvements and repairs to homes of tribal members with long-term care needs to enable tribal members to receive long-term care services at home.

Modify the existing community aids and Medical Assistance payments appropriation to allow for grant payments for tribal long-term care system development activities as previously described.

[Bill Sections: 420 and 798]

5. CHILDREN'S LONG-TERM SUPPORT WAIVER PROGRAM

Governor: Require DHS to ensure that any child who is eligible, and applies, for the children's long-term support (CLTS) waiver program receives services under the CLTS waiver program.

[Bill Section: 816]

Services for the Elderly and People with Disabilities

1. AGING AND DISABILITY RESOURCE CENTERS

GPR	$16,962,900

Governor: Provide $5,654,300 in 2023-24 and $11,308,600 in 2024-25 to increase base allocations and fund expanded caregiver support services at the aging and disability resource centers (ADRCs).

Of these amounts, the Administration indicates that $2,513,700 in 2023-24 and $5,027,400 in 2024-25 would be budgeted to increase ADRC base allocations to account for the anticipated increase in the number of older residents in the state and $3,140,600 in 2023-24 and $6,281,200 in 2024-25 would be provided to expand caregiver support and programs.

ADRCs provide a variety of services as part of their core contract with DHS. Services include: (a) providing information and assistance to individuals in need of long-term care services; (b) benefits counseling; (c) short-term service coordination; (d) conducting functional screens; and (e) enrollment counseling and processing. ADRCs serve older adults and people with disabilities, as well as the families and caregivers who work with and care for them. Services provided at ADRCs are free to Wisconsin residents.

2. COMPLEX PATIENT PILOT PROGRAM

GPR	$15,000,000

Governor: Provide $15,000,000 in 2023-24 on a one-time basis to fund a complex patient pilot program to help facilitate the transfer of complex patients from acute care settings, such as hospitals, to post-acute care facilities, in the 2023-25 biennium.

Program Funding. Create a biennial appropriation from which to fund the complex patient pilot. Require DHS to provide payments to partnership groups designated as participating sites for care provided during the course of the pilot program under this program. Specify that any fee associated with contracting with an independent organization to evaluate the complex patient pilot program may be paid from this appropriation. Repeal the appropriation on July 1, 2025.

Advisory Group Membership and Duties. Direct DHS to form an advisory group to assist with development and implementation of a complex patient pilot program. Require that the DHS Secretary or designee, chair the advisory group, and members of the advisory group have clinical, financial, or administrative expertise in government programs, acute care, or post-acute care.

Direct DHS to use its request-for-proposal procedure to select partnership groups that would be designated as participating sites for the complex patient pilot program. Direct the advisory group to develop a request for proposal for the complex patient pilot program that includes eligibility requirements.

Require that the complex patient pilot advisory group: (a) determine and recommend to DHS an amount of the funding budgeted for the complex patient pilot program to be reserved for reconciliation to ensure that participants in the pilot program are held harmless from unanticipated financial loss; (b) develop a methodology to evaluate the complex patient pilot program, including a recommendation on whether DHS should contract with an independent organization to evaluate the complex patient pilot program; and (c) make recommendations to the DHS Secretary regarding which partnership groups should receive designation as a participating site for the complex patient pilot program.

Application Requirements. Specify that only partnerships of at least one hospital and at least one post-acute facility are eligible to submit proposals.

Require that each partnership group that applies to DHS to be designated as a site for the complex patient pilot program address all of the following issues: (1) the number of beds that would be set aside in the post-acute facility; (2) the goals of the partnership during the pilot program and after the pilot program; (3) the types of complex patients for whom care would be provided; (4) the per diem rate requested to adequately compensate the hospital or hospitals and the post-acute facility or facilities; (5) a post-acute bed reserve rate; and (6) anticipated impediments to successful implementation and how the applicant partnership group intends to overcome the anticipated impediments.

In addition, require each partnership group to address its expertise to successfully implement the proposal, including a discussion of at least all of the following issues: (a) experience of the partners working together; (b) plan for staffing the unit; (c) ability to electronically exchange health information; (d) clinical expertise; (e) hospital and post-acute facility survey history over the past

three years; (f) acute care partner readmissions history over the past three years; (g) discharge planning and patient intake resources; and (h) stability of finances to support the proposal, including matching funds that could be dedicated to the pilot program. Clarify that while no applicant is required to provide matching funds or a contribution, the advisory group and DHS may take into consideration the availability of matching funds or a contribution in evaluating an application.

Timelines. Specify that no later than 90 days after the effective date of the bill, the advisory group must complete development of the request for proposal for partnership groups to be designated as participating sites in the complex patient pilot program and provide its recommendations to the DHS Secretary.

Specify that no later than 150 days after the bill's effective date, the advisory group must review all applications submitted in response to the request for proposal and select up to four partnership groups to recommend to the DHS Secretary for designation as participating sites for the complex patient pilot program.

Specify that between six and 18 months after the effective date of the bill, the partnership groups designated by DHS as participating sites in the complex patient pilot program must implement the pilot program and meet quarterly with both DHS and the advisory group or any independent organization hired by DHS for the purpose of evaluating the pilot program to discuss experiences relating to the pilot program.

Specify that no later than June 30, 2025, the advisory group or any independent organization hired by DHS for evaluating the complex patient pilot program must complete and submit to the DHS Secretary an evaluation of the complex patient pilot program, including a written report and recommendations.

[Bill Sections: 421, 422, 9119(13), and 9419(3)]

3. ADULT PROTECTIVE SERVICES SYSTEM

GPR	$13,637,500

Governor: Provide $4,138,300 in 2023-24 and $9,499,200 in 2024-25 to increase funding for adult protective services training, needs assessments for tribal adult protective services, guardian support and elder justice training grants, and other adult protective services. The following table shows funding provided under the bill for the various adult protective services projects.

Adult Protective Services Funding Summary
Governor's Recommendation

	Base GPR Funding	Governor 2023-24	Governor 2024-25	Ongoing Annual Total Under Governor's Recommendation
Items Currently Funded with Ongoing State GPR				
Adult Protective Services	$4,900,600	$2,500,200	$5,000,200	$9,900,800
Elder Abuse Prevention	2,029,500	1,500,200	3,000,200	5,029,700
Domestic Violence Prevention	74,300	$37,900	75,700	150,000
Guardianship Training	100,000	100,000	200,000	300,000
Items Currently Funded with One-Time ARPA Funds*				
Data Reporting and Case Management	0	0	407,000	407,000
Adult Protective Services Online Training System	0	0	195,900	195,900
Adult Protective Services Contract Team	0	0	600,200	600,200
Tribal Demonstration Projects	0	0	20,000	20,000
Total	$7,104,400	$4,138,300	$9,499,200	$16,603,600

*These items are currently funded with one time ARPA funds totaling $3,180,800 over three years.

4. EXPAND ELIGIBILITY FOR BIRTH TO 3

GPR	$9,259,600

Governor: Provide $3,086,500 in 2023-24 and $6,173,100 in 2024-25 to fund the Administration's estimates of costs of providing Birth to 3 services to additional children. Expand eligibility for services provided under the Birth to 3 program by requiring DHS to ensure that any child with a level of lead in his or her blood that is 3.5 or more micrograms per 100 milliliters (3.5 µg/dL), as confirmed by one venous blood test, is eligible for services under the Birth to 3 program.

Authorize DHS to develop a methodology to allocate GPR funding for the program across county programs. Base GPR funding for the Birth to 3 program is $6,914,000.

Wisconsin's current eligibility standard for the program, as it pertains to lead exposure, is 10 µg/dL. In 2021, the Centers for Disease Control and Prevention (CDC) established a 3.5 µg/dL threshold for identifying children with elevated blood lead levels. The Administration estimates that approximately 1,650 new children would become eligible for Birth to 3 services annually, either through the expanded eligibility threshold or the additional outreach efforts funded under this item.

The Birth to 3 program offers early intervention services to children, from birth to age three, who are identified with, or determined to be at risk for, developmental delays. Currently, a child is eligible for services if the child has a developmental delay of at least 25% in one area of development or is diagnosed by a physician as having a high probability of developmental delay. The program is funded from several sources, including federal funds that the state receives under the Individuals with Disabilities Education Act, county funds, community aids, medical assistance,

private insurance, and parental cost sharing.

[Bill Sections: 1148 and 9119(5)]

5. WISCAREGIVER CAREERS

GPR	$8,000,000

Governor: Provide $8,000,000 in 2024-25 to increase funding for WisCaregiver Career program. This program is a workforce development program that provides free nurse aide training and certification testing, as well as a retention bonus after six months of employment as a nurse aide.

Currently the program is funded from a $6,000,000 one-time grant DHS received under the Centers for Disease Control and Prevention (CDC) Nursing Home & Long-term Care Facility Strike Team program. The federal grant funding must be used by May, 2024.

6. SSI SUPPLEMENTS REESTIMATE

GPR	$6,914,400
PR	- 9,407,300
Total	- $2,492,900

Governor: Decrease funding by $1,925,400 ($3,457,200 GPR and -$5,382,600 PR) in 2023-24 and by $567,500 ($3,457,200 GPR and -$4,024,700 PR) in 2024-25 to reflect DHS's estimates of the cost of funding supplemental security income (SSI) state supplements payments in the 2023-25 biennium.

The SSI program provides cash benefits to low-income residents who are elderly, blind, or disabled to supplement SSI payments they receive from the federal program. As of May, 2022, the state made basic supplemental payments (set at $83.78 per month for single individuals and $132.05 for couples) to 115,400 Wisconsinites. Some SSI beneficiaries who require 40 hours of supportive home care or other care per month or live in small community-based residential facilities or other assisted living settings also qualify for an exceptional expense benefit ($95.99 per month for single individuals, $345.36 for couples). Recipients with dependent children may also receive a caretaker supplement payment, primarily supported by federal temporary assistance for needy families (TANF) funds transferred as program revenue from the Department of Children and Families (DCF). Eligible caretakers receive $250 per month for a first child and $150 per month for each additional child.

DHS complies with a federal requirement to "pass along" annual federal benefit cost-of-living increases by demonstrating that total GPR expenditures for state supplements do not decrease from one calendar year to the next. Due to retroactive corrective payments paid in calendar years 2020 and 2021, total GPR expenditures increased to $160,398,200. To maintain this level of GPR expenditures, beginning in fiscal year 2021-22, DHS paid a portion of caretaker supplement payments using GPR, in lieu of TANF funding.

The following table summarizes the funding that would be provided for SSI supplemental payments.

SSI Supplemental Payments
Governor's Budget

	Base	Reestimate 2023-24	Reestimate 2024-25	Change to Base 2023-24	Change to Base 2024-25	Change to Base 2023-25
SSI State Supplements						
GPR	$153,824,100	$154,129,600	$155,670,900	$305,500	$1,846,800	$2,152,300
Caretaker Supplement						
GPR	$3,116,900	$6,268,600	$4,727,300	$3,151,700	$1,610,400	$4,762,100
PR	17,452,900	12,070,300	13,428,200	-5,382,600	-4,024,700	-9,407,300
All Funds	$20,569,800	$18,338,900	$18,155,500	-$2,230,900	-$2,414,300	-$4,645,200
Total SSI-Related Payments						
GPR	$156,941,000	$160,398,200	$160,398,200	$3,457,200	$3,457,200	$6,914,400
PR	17,452,900	12,070,300	13,428,200	-5,382,600	-4,024,700	-9,407,300
All Funds	$174,393,900	$172,468,500	$173,826,400	-$1,925,400	-$567,500	-$2,492,900
Caretaker Supplement						
Administration (PR)	$692,100	$692,100	$692,100	$0	$0	$0

7. OFFICE FOR THE PROMOTION OF INDEPENDENT LIVING PROGRAMS

	Funding	Positions
GPR	$1,683,600	1.00

Governor: Provide $833,000 in 2023-24 and $850,600 in 2024-25 and 1.0 position, beginning in 2023-24, to support programs within the DHS Office for the Promotion of Independent Living.

The Administration indicates that the funding would: (a) fund and provide one rehabilitation specialist for the blind position within the Office for the Blind and Visually Impaired ($59,000 in 2023-24 and $76,600 in 2024-25); (b) increase funding available for the Telecommunications Assistance Program (TAP) by $50,000 annually; (c) increase funding for the interpretation services by $100,000 annually; and (d) increase funding for WisTech Grants for the Independent Living Centers by $624,000 annually.

8. HEALTHY AGING GRANTS

GPR	$1,200,000

Governor: Provide $600,000 annually and require DHS to award an annual grant of $600,000 to an entity that conducts programs in healthy aging.

Previously, $200,000 GPR was budgeted in each year of the 2015-17 biennium to support healthy aging programs. At the time, those funds were awarded to the Wisconsin Institute on Healthy Aging (WIHA), which was responsible for coordinating the implementation of healthy aging programs across the state as well as maintaining licensure of healthy aging programs. However, funding was not provided on an ongoing basis.

[Bill Section: 814]

9. ALZHEIMER'S FAMILY AND CAREGIVER SUPPORT PROGRAM

GPR	$1,000,000

Governor: Provide $500,000 annually to increase the maximum amount of funding the Department may provide under the Alzheimer's family and caregiver support program from $2,808,900 to $3,308,900 annually. Modify the financial eligibility limit for the program to specify that a person is eligible for assistance under the program if the joint income of the person with Alzheimer's disease and that person's spouse, if any, is $60,000 per year or less, unless the Department sets a higher limitation on income eligibility by rule.

Under current law, the income limit for program eligibility is $48,000 per year. Under the program, DHS allocates funding to counties, tribes, and area agencies on aging to assist individuals to purchase services and goods related to the care of someone with Alzheimer's disease. Up to $4,000 per person may be available, depending on the county's priorities and the person's need for services. In some instances, the funds are used within the county to expand or develop new services related to Alzheimer's disease, such as respite care, adult day care, or support groups.

[Bill Sections: 797 and 815]

10. RESPITE CARE GRANT

GPR	$400,000

Governor: Provide $200,000 annually to increase funding available for the respite care grant.

Currently, $350,000 GPR is available annually to fund the life-span respite care program operating under a contract between a nonprofit agency, Respite Care Association of Wisconsin (RCAW), and DHS. As part of the life-span respite care program, RCAW administers the Caregiver Respite Grant Program and the Supplemental Respite Grant Program, as well as a third grant program for recruitment, outreach, and education events. RCAW is also responsible for delivery of caregiver training, maintenance of the respite care provider registry, and other activities included in the contract with DHS.

11. ALZHEIMER'S DISEASE GRANT

GPR	$200,000

Governor: Provide $100,000 annually to increase funding for the Alzheimer's disease training and information grants.

Currently, DHS contracts with the Wisconsin Alzheimer's Institute at the University of Wisconsin to provide these services. All base funding for the Alzheimer's disease training and information grants, $131,400 annually, is currently used to support this award.

12. GUARDIANSHIP TRAINING

GPR	$127,000

Governor: Provide $63,500 annually to manage training modules for guardians.

As of January 1, 2023, 2021 Wisconsin Act 97 requires individuals nominated or seeking appointment as guardian of an estate to complete training on the duties and required responsibilities of a guardian under the law, limits of a guardian's decision-making authority, and inventory and accounting requirements. The Department has used one-time ARPA funding of $125,000 to contract with the University of Wisconsin (UW)-Green Bay to develop the training modules. DHS indicates that UW-Green Bay estimates an ongoing need for $63,500 annually to manage the modules and provide necessary updates, for which ARPA funding is not available.

Public Health

1. EMERGENCY MEDICAL SERVICES GRANTS

GPR	$150,000,000

Governor: Provide $150,000,000 in 2023-24 to fund grants to emergency medical services (EMS) providers. Create a continuing appropriation in the Division of Public Health for this purpose, so that any of this funding that is not expended in 2023-24 would remain available in future years until fully expended. Specify that grantees could use these funds to support reasonable operating expenses related to emergency medical services, including expenses related to supplies, equipment, training, staffing, and vehicles.

Currently, DHS is budgeted $2,200,000 GPR per year as grants to licensed, transporting EMS units in the state for similar purposes, the Funding Assistance Program. In 2022-23, the Administration supplemented state funding distributed under the program with $8.0 million FED from the State Fiscal Recovery Fund (SFRF) authorized under the American Rescue Plan Act (ARPA). In addition, the Administration allocated $32.0 million FED from the SFRF under a new grant program known as EMS Flex Grants. These grants supported a broader array of operations, supplies, equipment, and staffing costs related to EMS and emergency response than the services funded under the state program.

[Bill Sections: 399 and 2638]

2. PERSONAL PROTECTIVE EQUIPMENT STOCKPILE

GPR	$17,195,300

Governor: Provide $1,346,300 in 2023-24 and $15,849,000 in 2024-25 to maintain a state stockpile of personal protective equipment (PPE). Create a biennial appropriation in the Division of Public Health for this purpose. Authorize DHS to establish and maintain the stockpile and fund storage and warehousing costs.

Currently, DHS maintains a stockpile of medical supplies and equipment that includes personal protective equipment, cots, and other items that may be needed in an emergency. PPE in the medical stockpile includes surgical face masks, respirators, eye shield, gloves, and gowns. In the event of an emergency or supply chain interruption, items from the stockpile are available at

no charge to hospitals, clinics and other healthcare providers that are not able to acquire necessary supplies through other means. During the COVID-19 pandemic, DHS received over one million pieces of PPE from the federal Strategic National Stockpile, and acquired millions of pieces of PPE from other sources using one-time federal funds provided in response to the COVID-19 pandemic.

The funding under this item reflects $1,346,300 per year for the rent, staffing, and operations of a warehouse and $14,502,700 in 2024-25 for the purchase of PPE. DHS estimates that that all items currently in the inventory will be used or will need to be replaced during the 2023-25 biennium. The proposed funding reflects the Administration's estimates of the cost of replenishing a stockpile sufficient to meet the state's needs for 60 days.

[Bill Sections: 400 and 2584]

3. LEAD POISONING INVESTIGATIONS

	Funding	Positions
GPR	$15,286,200	16.50

Governor: Provide $7,473,800 in 2023-24 and $7,812,400 in 2024-25 and 16.5 positions, beginning in 2023-24, for lead poisoning and exposure prevention and services grants and the Division of Public Health. Reduce statutory thresholds defining lead poisoning, lead exposure, and an elevated blood lead level to 3.5 micrograms of lead per 100 milliliters of blood (µg/dL) for the purposes of determining when lead hazard investigations of dwellings or premises are required.

Under current law, health departments conduct lead hazard investigations by searching for potential sources of lead that a child with lead poisoning may have been exposed to, collecting and analyzing samples, and reporting any identified hazards. Current law permits DHS, with the owner or occupant's permission, to conduct a lead hazard investigation when DHS receives a report that a child under age six living at or frequenting a property has a blood lead level above 5µg/dL, and requires DHS or its designee (typically a local health department) to conduct such an investigation when the child's blood lead level is above 20 µg/dL as confirmed by one venous blood test, or above 15µg/dL as confirmed by two venous blood tests that are performed at least 90 days apart. The bill would make the investigation mandatory in both cases, and lower the threshold to 3.5µg/dL, aligning it with the reference value used by the Centers for Disease Control and Prevention (CDC), which was lowered from 5µg/dL to 3.5µg/dL in 2021.

DHS estimates that these changes would increase the annual number of lead hazard investigations that public health agencies conduct from 170 to 1,545. The funding and positions in the bill reflect the following proposals.

First, $1,121,200 in 2023-24 and $1,383,400 in 2024-25 would fund 12.5 environmental health specialist positions in regional DPH offices across the state to support local and tribal health departments in meeting this increased demand for lead hazard investigations. These staff could provide assistance to health departments that have designated lead investigation staff, and conduct investigations on behalf of health departments that do not have sufficient staff to conduct these investigations.

Second, $349,200 in 2023-24 and $425,600 in 2024-25 would fund 4.0 positions, including an environmental health specialist and a public health nurse in DPH's childhood lead poisoning prevention program. This program currently oversees lead hazard investigations and outreach and prevention grants.

Third, $6,003,400 per year would increase grant funding for lead poisoning outreach and prevention activities from $944,700 to $6,948,100 annually. DHS currently provides these grants primarily to local and tribal public health departments.

A separate item, summarized under "Medical Assistance -- Eligibility and Benefits" would increase MA reimbursement rates for lead hazard investigations conducted on behalf of children enrolled in MA.

[Bill Sections: 2604 thru 2606]

4. MATERNAL AND INFANT MORTALITY PREVENTION PROGRAM

	Funding	Positions
GPR	$5,677,900	2.00

Governor: Provide $2,870,900 in 2023-24 and $2,807,000 in 2024-25 and 2.0 positions, beginning in 2023-24, to operate a grant program to prevent and respond to maternal, fetal, and infant mortality. Create an annual appropriation for this purpose. Require DHS to award grants as follows: (a) annually to organizations that seek to prevent maternal and infant mortality; (b) annually to fund the expansion of fetal and infant mortality review and maternal mortality review teams statewide; and (c) for grief and bereavement programming for those impacted by infant loss. Require DHS to provide technical assistance for organizations that seek to prevent infant mortality and for existing fetal and infant mortality review and child death review teams.

The Administration indicates that it would allocate the funding as follows: (a) $2,150,000 per year for maternal and infant mortality prevention grants; (b) $300,000 in 2023-24 and $200,000 in 2024-25 to expand fetal, infant, and maternal mortality review teams; (c) $200,000 per year for grief and bereavement programming; and (d) $100,000 per year for technical assistance.

The 2.0 positions, funded at $120,900 in 2023-24 and $157,000 in 2024-25, would expand the Department's maternal mortality review team by adding a prevention coordinator to use review data to inform maternal mortality prevention efforts and a maternal mortality family interviewer to expand the use family interviews in mortality reviews.

[Bill Sections: 402 and 2600]

5. NEWBORN SCREENING PROGRAM

GPR	$5,225,900

Governor: Provide $3,556,300 in 2023-24 and $1,669,600 in 2024-25 to increase funding for services provided under a program that screens newborns for congenital disorders. Create an annual GPR appropriation for this purpose.

Currently, the program funds costs of special dietary treatments, other treatments, follow-up counseling, and program evaluation and administration. These services are supported solely by program revenue from a fee assessed for each screening performed. The current fee for a collection card, established by rule, is $109. The fee revenue is divided between DHS and the University of Wisconsin (UW) State Laboratory of Hygiene, which analyzes the blood samples collected from newborns.

DHS indicates that, for at least the past six years, program costs have exceeded revenue collections, and program revenue balances have been used to fund the deficit. That balance has now been exhausted, and the program ended 2021-22 with an unsupported overdraft of $535,000. DHS forecasts that the program will end 2022-23 with a negative balance of $2,064,800. The proposed funding would provide this amount in 2023-24 to address the projected shortfall. The remaining $1,491,500 in 2023-24 and $1,669,600 in 2024-25 reflects the Department's estimate of the ongoing difference between projected program costs and fee revenue.

A separate item, summarized under "University of Wisconsin System," would provide GPR funding to support the UW State Laboratory of Hygiene's costs of analyzing tests.

[Bill Section: 401]

6. ELECTROCARDIOGRAM SCREENING FOR SCHOOL ATHLETICS PILOT

GPR	$4,172,000

Governor: Provide $4,172,000 in 2024-25 to create a pilot program to perform electrocardiogram (EKG) screenings for participants in middle and high school athletics. Require DHS to make grants to local public health departments to offer screenings in Milwaukee and Waukesha counties, and specify that the screenings be optional for athletes. The funding amount reflects the Administration's estimates that there are 40,000 student athletes in Milwaukee County and 15,600 in Waukesha County, and that the pilot program would screen each at an estimated cost of $75 per EKG.

[Bill Section: 9119(11)]

7. CHILD WELLNESS GRANT

GPR	$3,360,000

Governor: Provide $1,680,000 annually for DHS to award grants to free-standing pediatric teaching hospitals to fund programming related to parenting, education needs of and supports for chronically ill children, and case management for children with asthma.

Specify that a free-standing pediatric teaching hospital is eligible for a grant under this item only if Medical Assistance recipient inpatient days make up 45 percent or more of the total inpatient days at the hospital. While not specified in the bill, the only hospital that currently meets these criteria is Children's Hospital of Wisconsin in Milwaukee.

[Bill Section: 2603]

8. SPINAL CORD INJURY RESEARCH GRANTS

GPR	$3,000,000

Governor: Provide $1,500,000 annually to establish a program to award grants supporting research into new and innovative treatments and rehabilitative efforts for the functional improvement of people with spinal cord injuries, including pharmaceutical, medical device, brain stimulus, and rehabilitative approaches and techniques. Authorize DHS to hold symposia once every two years, and require grant recipients to agree to present their research findings. Require DHS to submit, by January 15 of each year, annual reports to the Legislature identifying the recipients of grants under the grant program and the purposes for which the grants were used.

Create a Spinal Cord Injury Council in DHS. Require the Council to develop criteria for DHS to evaluate and award grants under the grant program, review and make recommendations to the Department on applications submitted under the grant program, and perform other duties specified by the DHS. Require DHS to appoint to the Council the following members serving two-year terms ending on July 1 of even-numbered years:

- One member representing the University of Wisconsin School of Medicine and Public Health;
- One member who has a spinal cord injury;
- One member who is a veteran who has a spinal cord injury; and
- One member who is a researcher in the field of neurosurgery.

Specify that DHS must appoint to the Council the following members serving two-year terms ending on July 1 of odd-numbered years:

- One member representing the Medical College of Wisconsin;
- One member who is a family member of a person with a spinal cord injury;
- One member who is a physician specializing in the treatment of spinal cord injuries; and
- One member who is a researcher employed by the Veterans Health Administration of the U.S. Department of Veterans Affairs.

Specify that, if DHS is unable to appoint a member meeting one of the above conditions, the agency may appoint a member representing the general public instead. Specify that the initial appointees would serve until July 1 of 2025 or 2026, respectively, and that all appointees must disclose in a written statement to be included in the annual report to the Legislature any financial interest in any organization that the Council recommends to receive a grant under the grant program.

[Bill Sections: 70, 2624, and 9119(10)]

9. MIKE JOHNSON LIFE CARE HIV/AIDS SERVICES

GPR	$2,000,000

Governor: Provide $1,000,000 annually to increase, from $4,000,000 to $5,000,000, annual funding for HIV/AIDS-related services under the Mike Johnson Life Care and Early Intervention Services grant. The current statutory annual limit on grants under the program would need to be amended to meet the Governor's intent.

Under current law, DHS awards the Mike Johnson grant to an HIV/AIDS service organization to fund certain harm reduction services for people living with HIV. These services include early intervention services to connect people to medical care and other supports following an HIV diagnosis. The grant also supports needs assessments and ongoing case management for anyone living with HIV and their family and caregivers. Grant funds may be used to provide counseling, therapy, and homecare services and supplies, and to refer people to other services that support the health of those living with HIV, including medical care, housing assistance, food assistance, and legal and social services. 2021 Act 226 expanded the Mike Johnson program to allow grant funds to be used to provide certain preventative services as well, including testing and consultation to partners of people living with HIV and others at risk of infection so that they can receive recently-developed pre-exposure prophylactic drugs (PrEP).

10. STATE HEALTH CARE VALUE ANALYSIS GRANT

GPR	$1,800,000

Governor: Provide one-time funding of $900,000 in 2023-24 and 2024-25 for a grant for the analysis of health care claims data under the Medical Assistance program and state employee health insurance to identify low-value care. "Low-value care" includes services that provide little or no benefit to patients, have the potential to cause harm, incur unnecessary costs to patients, or waste limited health care resources. Require the grant recipient to report their findings and any recommendations for providing effective and efficient care to DHS and the Department of Employee Trust Funds, and require these agencies to distribute these findings to health care providers, health maintenance organizations, and insurers providing state employee insurance plans.

[Bill Section: 9119(7)]

11. STOCKING AMBULANCES WITH EPINEPHRINE

GPR	$1,440,000

Governor: Provide $720,000 annually for DHS to reimburse public or nonprofit ambulance service providers for the cost of acquiring epinephrine, including epinephrine auto-injectors such as EpiPens. Epinephrine is used for emergency treatment of severe allergic reactions, known as anaphylaxis, to insect bites or stings, medicine, foods, or other substances.

Require DHS to reimburse public and nonprofit ambulance service providers for a set of two epinephrine auto-injectors or injection kits for each ambulance they operate, and reimburse for replacement auto-injectors or kits as requested. Specify that ambulance service providers may choose between auto-injectors or draw-up epinephrine kits, but specify that each ambulance must be staffed with an emergency medical services professional qualified to administer the product

provided for that ambulance.

For these purposes, define the following: (a) "ambulance service provider" as an ambulance service provider that is a public agency, volunteer fire department, or nonprofit corporation; (b) "draw-up epinephrine" means epinephrine that is administered intramuscularly using a needle and syringe and drawn up from a vial or ampule; (c) "draw up epinephrine kit" as a single use vial or ampule of draw up epinephrine and a syringe for administration to the patient; and (d) "epinephrine auto-injector" as a device for the automatic injection of epinephrine into the human body.

[Bill Section: 2631]

12. NATIVE AMERICAN QUITLINE FOR TOBACCO AND VAPING

GPR	$1,005,000

Governor: Provide $335,000 in 2023-24 and $670,000 in 2024-25 to support tobacco and vaping cessation services that are responsive and tailored to Native American cultures. The funding would increase support for the American Indian Quit Line program, a dedicated hotline that provides coaching and referrals and the free cessation aids, such as nicotine patches.

In the 2021-23 biennium, DHS is budgeted $5,315,000 GPR per year to provide tobacco and vaping prevention and control programs, services, and interventions. These activities are also supported by federal grant funding from the Centers for Disease Control and Prevention (CDC). The program includes the operation of a statewide quit line as well as the quit line tailored to Native American cultures. DHS indicates that the American Indian Quit Line is funded solely from a CDC grant, receiving $122,000 annually. This provision would increase GPR funding for the tobacco and vaping prevention and control program to $5,650,000 in 2023-24 and $5,985,000 in 2024-25 to provide GPR funding to support the American Indian Quit Line.

The proposed funding reflects the Department's intent to expend $200,000 in 2023-24 and $400,000 in 2024-25 for marketing to increase awareness and promote use of the quit line, $75,000 in 2023-24 and $150,000 in 2024-25 for program operations as utilization increases, and $60,000 in 2023-24 and $120,000 in 2024-25 for grants to tribes and bands to conduct outreach.

13. UPSTREAM PREVENTIVE HEALTHCARE AND RESILIENCE

GPR	$1,000,000

Governor: Provide $500,000 annually to fund interventions to respond to adverse childhood experiences, trauma, and toxic stress and to build resilience, with a goal of preventing substance use disorders and other adverse health outcomes.

Currently, DHS operates the Resilient Wisconsin program to provide these upstream preventive services using grant funding from the Centers for Disease Control and Prevention (CDC) related to drug overdose prevention. Among other interventions, the program conducts outreach and provides information on supportive resources for people with mental health challenges, people experiencing trauma, first responders, people at risk of substance abuse, other

at-risk groups, and their parents and caregivers.

The current CDC funding that supports the Resilient Wisconsin program expires in August, 2023. DHS anticipates that the CDC will issue new grants to continue to support drug overdose prevention, but indicates that the Resilient Wisconsin program may not align with the focus of this renewed funding. DHS indicates that new grant funding focused on opioid overdose prevention could support activities such as Narcan and fentanyl strip distribution or programs for EMS and law enforcement to leave safety supplies following an encounter.

14. SUICIDE PREVENTION GRANT PROGRAM

GPR	$1,000,000

Governor: Provide $500,000 annually to create a suicide prevention grant program. Modify a current local assistance appropriation to include this purpose, and specify that DHS may distribute up to $500,000 annually in grants for suicide prevention activities.

Require DHS to implement a statewide suicide prevention program that creates public awareness for issues related to suicide prevention, builds community networks, and conducts training programs on suicide prevention for law enforcement personnel, health care providers, school employees, and other persons who have contact with persons at risk of suicide.

As part of the program, require DHS to do all of the following:

(a) Coordinate suicide prevention activities with other state agencies;

(b) Provide educational activities to the general public relating to suicide prevention;

(c) Provide training to people who routinely interact with people at risk of suicide, including training on recognizing people at risk of suicide and referring those people for appropriate treatment or support services;

(d) Develop and carry out public awareness and media campaigns in each county directed at groups of people who are at higher risk of suicide;

(e) Enhance crisis services relating to suicide prevention;

(f) Link people trained in the assessment of and intervention in suicide with schools, public community centers, nursing homes, and other facilities serving persons most at risk of suicide;

(g) Coordinate the establishment of local advisory groups in each county to support the efforts of the suicide prevention program;

(h) Work with groups advocating suicide prevention, community coalitions, managers of existing crisis hotlines that are nationally accredited or certified, and staff members of mental health agencies in this state to identify and address the barriers that interfere with providing services to groups of people who are at higher risk of suicide;

(i) Develop and maintain a website with links to appropriate resource documents, suicide

hotlines that are nationally accredited or certified, credentialed professional personnel, state and local mental health agencies, and appropriate national organizations;

(j) Review current research on data collection for factors related to suicide and develops recommendations for improved systems of surveillance for suicide and uniform collection of data related to suicide;

(k) Develop and submit proposals for funding from federal government agencies and nongovernmental organizations; and

(l) Administer grant programs involving suicide prevention.

Grants Relating to Firearms. As part of this grant program, require DHS to distribute up to $75,000 from the $500,000 annual total for grants to organizations, coalitions, local governments, or Native American tribes or bands to provide training for staff at firearm retailers or ranges in recognizing a person that may be considering suicide, to distribute suicide prevention materials at firearm retailers or ranges, or to provide voluntary, temporary firearm storage. Require grant recipients to contribute matching funds or in-kind services with a value equal to at least 20% of the grant. Limit the amount of any of these grants to $5,000, and prohibit DHS from awarding any of these grants for a duration of more than one year, and from automatically renewing such a grant. Specify that this provision may not be construed to prevent an organization, or coalition of organizations, from re-applying for a grant in consecutive years. Direct DHS to give preference to organizations or coalitions of organizations that have not previously received such grants.

[Bill Sections: 398 and 2623]

15. SUICIDE PREVENTION COORDINATOR

	Funding	Positions
GPR	$154,100	1.00

Governor: Provide $66,800 in 2023-24 and $87,300 in 2024-25 and 1.0 position, beginning in 2023-24, for the Injury and Violence Prevention Program. The program conducts statewide surveillance of injuries and violence, provides education, promotes interventions to reduce injuries and violence, and works with local and tribal public health departments to implement related programs. DHS would use this position to create a suicide and self-harm prevention coordinator within the program. The coordinator would create new partnerships to support suicide and self-harm prevention efforts, organize current programs, provide training and technical assistance, and develop a communications plan, among other duties.

16. GRANTS TO FREE AND CHARITABLE CLINICS

GPR	$1,000,000

Governor: Provide $500,000 annually to increase, from $1,500,000 to $2,000,000, annual funding for grants DHS distributes to free and charitable clinics. Modify the statutory requirement to distribute these grants to reflect the increased amount.

Currently, DHS distributes grants to free and charitable clinics that meet certain statutory qualifications, including operating as a nonprofit and providing medical or dental care, or

prescription drugs, to people who are uninsured, underinsured, or have limited or no access to primary, specialty, or prescription care. Federally qualified health centers (FQHCs) are ineligible to receive these grants, but receive state support under a separate grant program.

[Bill Section: 2580]

17. AMYOTRPHIC LATERAL SCLEROSIS (ALS) SUPPORTS

GPR	$500,000

Governor: Provide $250,000 annually as a grant to an organization that supports and provides services for people with ALS and their families, including respite care and financial assistance with costs of care not covered by insurance. Modify statutes to require DHS to distribute a grant in this amount for this purpose each fiscal year.

ALS, also known as Lou Gehrig's disease, is a disease that affects the brain and spinal cord, causing progressive loss of muscle control and eventual death. Respite care refers to temporary care for someone with ALS to allow their usual caregiver, often a spouse or family member, time to attend to other obligations and their own needs.

[Bill Section: 805]

18. CERTIFICATION OF EMERGENCY MEDICAL RESPONDERS AND STATE EMS DATA SYSTEMS

	Funding	Positions
GPR	$505,000	2.00

Governor: Provide $233,600 in 2023-24 and $271,400 in 2024-25, and 2.0 positions, beginning in 2023-24, to manage and improve emergency medical services (EMS) data systems and to begin certifying applicants as emergency medical responders (EMRs) under broader eligibility criteria that do not require passage of the EMR examination developed by the National Registry of Emergency Medical Technicians (NREMT).

Current law requires applicants for EMR certification to complete a DHS-approved EMR training course that meets standards established by the National Highway Traffic Safety Administration (NHTSA), unless the applicant has military experience that DHS determines to be substantially equivalent. Current administrative rules require applicants to pass the NREMT examination in addition to completing a DHS-approved EMR training course.

Authorize DHS, in consultation with the state EMS Board, to promulgate rules establishing standards for EMR training courses. Modify statutes to require DHS to certify individuals as EMRs who complete any DHS-certified training program for EMRs without any additional training or examination requirements, including the NREMT examination. Additionally, allow passage of the NREMT examination to waive the training requirement. Specify that no EMR may take the place of EMS personnel with a higher level of certification on an ambulance crew, as generally permitted in rural jurisdictions with no municipality with a population greater than 20,000, unless that EMR has passed the NREMT examination. Specify that these statutory changes, other than the DHS rule-making authority, would take effect July 1, 2024.

The positions that would be provided under this item are intended to fund 1.0 health services

manager to implement the modified EMR training, examination, and certification standards and procedures ($66,800 in 2023-24 and $87,300 in 2024-25) and 1.0 data analyst to manage EMS licensing, monitoring, and reporting systems and data ($71,800 in 2023-24 and $94,100 in 2024-25). In addition to work on the EMS professional licensing system, the data analyst would manage the Wisconsin Ambulance Run Data System (WARDS) and make modifications to integrate it with updates to the National EMS Information System, and improve the quality and accessibility of other EMS data.

The remaining funding consists of $20,000 annually to maintain the licensing and WARDS systems, and one-time funding of $75,000 in 2023-24 and $70,000 in 2024-25 to make upgrades to the licensing and WARDS systems related to the EMR certification changes and to evaluate the EMR scope of practice.

[Bill Sections: 2625 thru 2630 and 9419(2)]

19. AMBULANCE INSPECTION PROGRAM

	Funding	Positions
GPR	$152,800	1.00

Governor: Provide $65,500 in 2023-24 and $87,300 in 2024-25 and 1.0 position, beginning in 2023-24, to perform inspections of medical equipment on ambulances. Currently, the Department of Transportation (DOT) conducts vehicle safety inspections of ambulances as well as inspections of medical equipment such as stretchers, suction aspirators, and oxygen equipment. However, under recent changes to DOT administrative rules, DOT will cease inspections of medical equipment on July 15, 2023, with the intent to transfer this responsibility to DHS. DHS currently provides other oversight of emergency medical services (EMS) programs, including approving operational plans and licensing EMS professionals.

Additionally, make statutory changes to delete the requirement that DOT inspect ambulance medical equipment, require DHS to do so prior to DOT issuing or renewing an ambulance's registration, and authorize DHS to establish administrative rules relating to the inspections.

[Bill Sections: 2728 thru 2730]

20. PFAS OUTREACH AND AWARENESS

GPR	$200,000

Governor: Provide $100,000 annually for the Division of Public Health to distribute as grants to increase awareness and conduct outreach related to per- and polyfluoroalkyl substances (PFAS). These substances have potential negative health impacts and can contaminate soil and drinking water and become biologically concentrated in fish and other wildlife. PFAS were used in firefighting foams and as protective coatings in many consumer products.

21. BUREAU OF COMMUNICABLE DISEASES POSITION CONVERSION

	Funding	Positions
GPR	$170,800	1.00
FED	- 170,800	- 1.00
Total	$0	0.00

Governor: Provide $73,900 GPR in 2023-24 and $96,900 GPR in 2024-25 and reduce FED funding by identical amounts to convert 1.0 FED current epidemiologist position in the Division of Public Health from FED to GPR, beginning in 2023-24. The position is in the Bureau of Communicable Diseases, which is responsible for the prevention, surveillance, and control of communicable diseases and provides education, outreach and assistance to local and tribal health departments, health care providers, and the general public. The Bureau comprises 133.0 positions (3.55 GPR, 127.95 FED, and 1.50 PR) in the base. Many of the federal positions are supported by one-time funding the state received to respond to the COVID-19 pandemic, and many would be removed under the standard budget adjustments.

Behavioral Health

1. CRISIS URGENT CARE AND OBSERVATION FACILITIES

	Funding	Positions
GPR	$10,103,200	1.00

Governor: Provide $64,700 in 2023-24 and $10,038,500 in 2024-25 and 1.0 position, beginning in 2023-24, for making grants for crisis urgent care and observation facilities and for the administration of the grant program. Create an annual GPR appropriation for the grant program and require DHS to award grants to individuals and entities to develop and support crisis urgent care and observation facilities.

Specify that a crisis urgent care and observation facility shall do all of the following: (a) accept referrals for crisis services for both youths and adults, including involuntary patients under emergency detention, voluntary patients, walk-ins, and individuals brought by law enforcement, emergency medical responders, and other emergency medical services practitioners; (b) abstain from having a requirement for medical clearance before admission assessment; (c) provide assessments for physical health, substance use disorder, and mental health; (d) provide screens for suicide and violence risk; (e) provide medication management and therapeutic counseling; (f) provide coordination of services for basic needs; (g) have adequate staffing 24 hours a day, seven days a week, with a multidisciplinary team including, as needed, psychiatrists or psychiatric nurse practitioners, nurses, licensed clinicians capable of completing assessments and providing necessary treatment, peers with lived experience, and other appropriate staff; and (h) allow for voluntary and involuntary treatment of individuals in crisis as a means to avoid unnecessary placement of those individuals in hospital inpatient beds and allow for an effective conversion to voluntary stabilization when warranted in the same setting.

Specify that a crisis urgent care and observation facility may accept individuals for

emergency detention under Chapter 51 of the statutes if the facility agrees to accept the individual, but specify that a county crisis assessment is required prior to acceptance of an individual for purposes of emergency detention at a crisis urgent care and observation facility. Specify that medical clearance is not required before admission, but that the facility must provide necessary medical services on site.

Specify that a crisis urgent care and observation facility may accept individuals for voluntary stabilization, observation, and treatment, including for assessments for mental health or substance use disorder, screening for suicide and violence risk, and medication management and therapeutic counseling.

Specify that no person may operate a crisis urgent care and observation facility without a certification for such a facility issued by the Department. Require the Department to establish a certification process for crisis urgent care and observation facilities, and specify that the Department may establish, by rule, criteria for the certification of such a facility. Specify that the Department may limit the number of certifications it grants to operate crisis urgent care and observation facilities. Require DHS to establish, by rule, a process for crisis urgent care and observation facilities to apply for provider certification under the Medical Assistance program.

Specify that a crisis urgent care and observation facility is not considered a hospital under statutory provisions pertaining to hospital regulation and specify that a crisis urgent care and observation facility is not subject to facility regulation applicable to hospitals, unless otherwise required due to the facility's licensure or certification for other services or purposes.

Specify that services provided by a crisis urgent care and observation facility that is certified by the Department are considered crisis intervention services for the purposes of eligibility for reimbursement under the Medical Assistance program. Require DHS to request any necessary federal approval required to provide reimbursement to crisis urgent care and observation facilities for crisis intervention services. Require DHS to provide reimbursement for such services if federal approval is granted or no federal approval is required. Specify that if federal approval is necessary but is not granted, the Department may not provide reimbursement for crisis intervention services provided by crisis urgent care and observation facilities.

For these purposes, define "crisis" as a situation caused by an individual's apparent mental or substance use disorder that results in a high level of stress or anxiety for the individual, persons providing care for the individual, or the public and that is not resolved by the available coping methods of the individual or by the efforts of those providing ordinary care or support for the individual. Define "crisis urgent care and observation facility" as a treatment facility that admits an individual to prevent, de-escalate, or treat the individual's mental health or substance use disorder and includes the necessary structure and staff to support the individual's needs relating to the mental health or substance use disorder.

Authorize the Department to promulgate rules to implement provisions related to crisis urgent care and observation facilities, including requirements for admitting and holding individuals for the purposes of emergency detention. Authorize the Department to promulgate an emergency rule that may remain in effect for not more than 24 months, without meeting prerequisites that otherwise apply to emergency rulemaking authority.

The funding provided under this item reflects the Administration's estimate of the cost to support two 16-bed crisis urgent care centers.

[Bill Sections: 416, 1099 thru 1103, and 1144]

2. SUICIDE AND CRISIS LIFELINE GRANTS

GPR	$3,004,400

Governor: Provide $898,700 in 2023-24 and $2,105,700 in 2024-25 in a new appropriation for suicide and crisis lifeline grants. Require the Department to award grants to organizations that provide crisis intervention services and crisis care coordination to individuals who contact the national crisis hotline from anywhere in the state. Specify that the national crisis hotline refers to the 988 telephone or text access number, or its successor.

Currently, the Department contracts with Family Services of Northeast Wisconsin to operate the state's 988 suicide and crisis lifeline, which accepts calls, texts, and chats from Wisconsin residents who are experiencing crisis or are having suicidal thoughts. The lifeline operates 24 hours a day, seven days a week and is staffed by mental health professionals and trained volunteers to help callers manage crisis episodes and connect them with local, follow-up services as needed. Wisconsin's 988 lifeline is a member organization of the national 988 suicide and crisis lifeline. The Department allocates $2,000,000 annually from the state's federal mental health block grant funds to support this service. In addition, the state has received one-time grants for 988 implementation. This item would provide the difference between the federal grant funds and the Administration's estimate of the full cost of supporting the service in the 2023-25 biennium.

[Bill Sections: 415 and 812]

3. PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY CERTIFICATION AND GRANT PROGRAM

GPR	$1,790,000

Governor: Provide $1,790,000 in 2024-25 in the Department's grants for community programs appropriation, and authorize DHS to distribute not more than that amount annually to support psychiatric residential treatment facilities.

Define a psychiatric residential treatment facility (PRTF) as a non-hospital facility that provides inpatient comprehensive mental health treatment services to individuals under the age of 21 who, due to mental illness, substance use, or severe emotional disturbance, need treatment that can most effectively be provided in a residential treatment facility. Specify that no person may operate a PRTF without a certification from the Department. Specify that a PRTF that is certified by the Department is not subject to facility regulations currently applicable to children's facilities licensed by the Department of Children and Families, such as foster homes, group homes, and child care centers. Specify that the Department may limit the number of certifications it grants to operate a PRTF.

Specify that services provided by a PRTF that is certified by the Department are eligible for reimbursement under the Medical Assistance program. Require DHS to submit to the federal

Department of Health and Human Services any request for a state plan amendment, waiver, or other federal approval necessary to provide reimbursement under the program. Require DHS to provide reimbursement for such services if federal approval is granted or if no federal approval is required. Specify that if federal approval is not granted, the Department may not provide reimbursement for services provided by PRTFs.

Authorize the Department to promulgate rules to implement provisions related to PRTFs. Authorize the Department to promulgate an emergency rule implementing these provisions, including the development of a new provider type and a reimbursement model for PRTFs under MA, without meeting prerequisites that otherwise apply to emergency rulemaking authority. Specify that any such emergency rules would remain in effect until July 1, 2025, or the date that permanent rules take effect, whichever is sooner.

The Administration indicates that the creation of a psychiatric residential treatment facility type is intended to provide a treatment option for youths with complex needs in out-of-home care who are currently placed in out-of-state facilities. These facilities are expected to bill MA to support most of their operational costs. However, this item would provide funding for "bed hold" grants to help support the facility's costs, with the expectation that it would not always be fully occupied with MA-eligible youth.

[Bill Sections: 804, 1111, 1115, 1146, and 9119(6)]

4. MENTAL HEALTH CONSULTATION PROGRAM

GPR	$4,000,000

Governor: Provide $2,000,000 annually to expand consultation services the Medical College of Wisconsin provides to assist primary care physicians and clinics in providing care to their patients by creating a mental health consultation program and retaining a separate consultation program for addiction medicine.

Mental Health Consultation Program. Provide a total of $4,000,000 GPR annually to fund a mental health consultation program by: (a) reallocating $2,000,000 of $2,500,000 in base funding budgeted for the child psychiatry and addiction medicine consultation program; and (b) providing an additional $2,000,000 annually to support the new program.

Require DHS to contract with the organization that provided consultation services through the child psychiatry consultation program, as of January 1, 2023 (the Medical College of Wisconsin) to administer the mental health consultation program and specify that in subsequent fiscal years the Department must contract with that organization or another organization to administer the mental health consultation program. Specify that the contracting organization must administer a mental health consultation program that incorporates a comprehensive set of mental health consultation services, which may include perinatal, child, adult, geriatric, pain, veteran, and general mental health consultation services. Specify that the organization may contract with any other entity to perform any operations and satisfy any requirements under the program. Specify that consultation through the program may be provided by teleconference, video conference, voice over Internet protocol, email, pager, in-person conference, or any other telecommunication or electronic means.

In addition, require the contracting organization to do all of the following:

- Ensure that all mental health care providers who are providing services through the program have the applicable credential from the state, and that any psychiatric professional providing consultation services is eligible for certification or is certified by the American Board of Psychiatry and Neurology for adult psychiatry, child and adolescent psychiatry, or both, and that any psychologist providing consultation services is registered in a professional organization, including the American Psychological Association, National Register of Health Service Psychologists, Association for Psychological Science, or the National Alliance of Professional Psychology Providers;

- Maintain the infrastructure necessary to provide the program's services statewide;

- Operate the program on weekdays during normal business hours of 8 a.m. to 5 p.m.;

- Provide consultation services under the program as promptly as is practicable;

- Have the capability to provide consultation services by, at a minimum, telephone and email;

- Provide all of the following services through the program: (i) support for participating clinicians to assist in the management of mental health concerns; (ii) triage-level assessments to determine the most appropriate response to each request, including appropriate referrals to any community providers and health systems; (iii) when medically appropriate, diagnostics and therapeutic feedback; and (iv) recruitment of other clinicians into the program as participating clinicians when possible;

- Report to DHS any information requested by the Department; and

- Conduct annual surveys of participating clinicians who use the program to assess the quality of care provided, self-perceived levels of confidence in providing mental health services, and satisfaction with the consultations and other services provided through the program.

Specify that immediately after participating clinicians begin using the program and again six to 12 months later, the contracting organization may conduct assessments of participating clinicians to assess the barriers to and benefits of participation in the program to make future improvements and to determine the participating clinicians' treatment abilities, confidence, and awareness of relevant resources before and after beginning to use the program.

Specify that, in addition to the consultation services, the contracting organization may provide any of the following services eligible for funding from the Department: (a) second opinion diagnostic and medication management evaluations and community resource referrals conducted by either a psychiatrist or allied health professionals; (b) in-person or web-based educational seminars and refresher courses on a medically appropriate topic within mental or behavioral health care provided to any participating clinician who uses the program; and (c) data evaluation and assessment of the program.

Define "participating clinicians," for the purposes of the program, to include physicians, nurse practitioners, physician assistants, and medically appropriate members of the care teams of

physicians, nurse practitioners, and physician assistants.

Repeal provisions enacted as part of 2019 Act 9 that direct DHS to develop a comprehensive mental health consultation program.

Child Psychiatry and Addiction Medicine Consultation Program. Repeal all provisions relating to the child psychiatry consultation program to reflect the availability of these services under the new mental health consultation program. Retitle the appropriation and purpose for this program to reflect the creation of the mental health consultation program. However, retain provisions relating to the addiction medicine consultation program, and create a biennial appropriation, budgeted at $500,000 GPR annually, to continue to support the addiction medicine consultation program.

[Bill Sections: 411, 412, 418, and 1149 thru 1151]

5. DEAF, HARD OF HEARING, AND DEAF-BLIND BEHAVIORAL TREATMENT PROGRAM

GPR	$1,936,000

Governor: Provide $1,936,000 in 2024-25 in the Department's appropriation for grants for community programs, to provide behavioral health treatment services for individuals who are deaf, hard of hearing, or deaf-blind. Authorize DHS to distribute not more than that amount in each fiscal year, beginning in 2024-25, to a statewide provider of these services. The Administration indicates that the funding would be used for services provided by healthcare providers that are fluent in American Sign Language. The funding is based on estimated cost of supporting eight personnel for providing and coordinating services, including salary, fringe benefits, supplies and services, and accommodations.

[Bill Section: 799]

6. YOUTH CRISIS STABILIZATION FACILITY GRANTS

GPR	$1,992,800
PR	- 1,992,800
Total	$0

Governor: Provide $996,400 GPR annually and reduce PR funding by corresponding amounts to fund youth crisis stabilization grants with GPR, rather than program revenue received by the state mental health institutes. Create an annual GPR appropriation for that purpose, and require DHS to make youth stabilization grants from this appropriation.

The Department currently makes grants to support two youth crisis stabilization facilities, which provide short-term residential stabilization for youth age 17 or younger who are experiencing a mental health crisis. (The two facilities are located in Marathon County and Milwaukee County.) The 2017-19 budget act established the grant program, and funded it with annual PR transfers to the Department's "center" program revenue appropriation. The "center" appropriation authorizes DHS to transfer and expend any amount of funding from the DHS PR appropriation that supports DHS facilities operations to "make payments to an organization that establishes a center that provides services." Currently, the grants are funded from PR the mental

health institutes receive from charges to counties for the admission of their residents under emergency detention or civil commitment procedures. The Administration indicates that, while there had been surplus revenue in that appropriation to support the cost of the youth crisis stabilization facility grants when the program was created, there is no longer an account balance sufficient to continue funding the grants. Under this item, the grants would instead be funded through a new GPR appropriation.

[Bill Sections: 414 and 1145]

7. PEER-RUN RESPITE CENTER FUNDING

GPR	$900,000
PR	- 900,000
Total	$0

Governor: Provide $450,000 GPR annually and reduce PR funding by corresponding amounts to fund a peer-run respite center grant for veterans with GPR, rather than program revenue received by the state mental health institutes. Modify statutory provisions related to peer-run respite center grants to specify that all such grants would be made from the community programs appropriation and to eliminate the $1,200,000 statutory annual limit on grants, to reflect that the Department would make the grant to the veterans peer-run respite center from that appropriation, along with the current grants made to the other peer-run respite centers.

Peer-run respite centers provide short-term residential stays for persons experiencing mental health or substance abuse issues, staffed by persons have had experience living with those conditions. DHS currently provides grants of approximately $450,000 each to support four peer-run respite centers, one of which is a grant to Mental Health of America to operate a peer-run respite center for veterans in the Milwaukee area.

The 2017-19 budget established the grant for the peer-run respite center for veterans, and funded it with annual PR transfers to the Department's "center" program revenue appropriation. The "center" appropriation authorizes DHS to transfer and expend any amount of funding from the DHS PR appropriation that supports DHS facilities operations to "make payments to an organization that establishes a center that provides services." Currently, the grant is funded from revenue the mental health institutes receive from charges to counties for the admission of their residents under emergency detention or civil commitment procedures. The Administration indicates that, while there had been surplus revenue in that appropriation to support the cost of the veterans peer-run respite facility grant when the program was created, there is no longer an account balance sufficient to continue funding that grant. Under this item, the grant for the veterans peer-run respite center would be made from the same GPR appropriation that is used to support the grants for the other three peer-run respite centers.

[Bill Section: 801]

8. PEER RECOVERY CENTER GRANTS

GPR	$520,000

Governor: Provide $260,000 annually in the Department's grants for community programs appropriation and specify that DHS may make grants of not more than that amount for regional

peer recovery centers for individuals experiencing mental health and substance abuse issues. A peer recovery center is a place where adults who have experienced mental health or substance use issues may meet with others who have had similar experiences to help sustain their recovery. The Administration indicates that the grant funds would be used to support existing peer recovery centers that have received grants from the Department using federal block grant funds, as well as to support two other peer recovery centers in other parts of the state. In 2021, DHS awarded $30,000 grants for 11 peer recovery centers using federal mental health and substance abuse block grant funds.

[Bill Section: 806]

9. OPIOID ANTAGONIST PROGRAM

GPR	$4,000,000

Governor: Provide $2,000,000 annually in the Department's community grants appropriation and direct DHS to annually award up to that amount to entities for the purchase of opioid antagonists. An opioid antagonist binds to opioid receptors in the brain to compete for or displace opioid agonists, potentially reversing the effect of an opioid overdose. Naracan is the brand name for an injectable and nasal spray delivery formulation of naltrexone, an opioid antagonist approved by the Federal Drug Administration to prevent death or injury from opioid overdose. The Department has established the Narcan Direct program, funded with federal opioid response funds as well as opioid distributor settlement funds, to make the drug available to various community entities in an effort to reduce overdose deaths. This item would establish an ongoing GPR funding source for the purchase of Narcan.

[Bill Section: 802]

10. STIMULANT PREVENTION AND TREATMENT RESPONSE PROGRAMS

GPR	$3,288,000

Governor: Provide $1,644,000 annually in the Department's community grants appropriation and authorize DHS to annually distribute not more than that amount to support stimulant use prevention and treatment programs and services. Stimulant drugs that are most commonly abused include methamphetamine and cocaine. The Administration indicates that the funds would be used to support treatment services in counties with high needs and to support stimulant abuse prevention training programs.

[Bill Section: 803]

11. QUALIFIED TREATMENT TRAINEE GRANTS

GPR	$1,576,600

Governor: Provide $1,576,600 in 2024-25 for qualified treatment trainee (QTT) grants. A QTT is a person who has earned or is working toward a graduate degree in one of several mental health fields, such as psychology, social work, marriage and family therapy, or nursing, but who has not yet completed supervised practice requirements necessary for professional licensure. DHS makes grants to mental health and substance abuse providers to help support the employment of

QTTs during their period of supervised practice. The base funding for making grants is $750,000 GPR, but in 2022 Department allocated $7,600,000 in ARPA funds for additional QTT grants, to be distributed over a 29-month period that ends in December 2024. With this supplemental funding, the Department is currently providing a total of $3,153,100 on an annualized basis for QTT grants. This item would increase GPR funding for QTT grants in 2024-25, bringing the GPR total to $2,326,600. This increase would provide sufficient state funding to replace the expiring federal funding in the final six months of that fiscal year. To continue this level of support with GPR, an additional increase of $826,500 would be needed in 2025-26.

12. HEALTH CARE AND PUBLIC HEALTH WORKFORCE MENTAL HEALTH PILOT PROGRAM

GPR	$621,000

Governor: Provide $621,000 in 2023-24 in the Department's grants for community programs appropriation and require DHS to distribute that amount in 2024-25 to support a pilot project in Dane County relating to the impact of the COVID-19 pandemic on the health care workforce.

[Bill Section: 9119(12)]

13. OPENING AVENUES TO REENTRY SUCCESS

	Funding	Positions
GPR	$384,200	2.00

Governor: Provide $167,500 in 2023-24 and $216,700 in 2024-25 and 2.0 positions, beginning in 2023-24, to support administrative functions associated with an expansion of the opening avenues to reentry success program (OARS). OARS is administered jointly by DHS and the Department of Corrections (DOC) to provide behavioral health services to persons who are released from prison with identified mental health needs and who are assessed to have a moderate to high risk of reoffending. A separate item, summarized under Corrections--Community Corrections, would provide $3,449,600 GPR in 2023-24 and $5,346,900 GPR in 2024-25 to allow the program to enroll additional individuals and to provide state funding to replace a portion of the funding that is currently provided by a federal grant, which will expire in 2023-24.

This item would provide two positions in DHS to perform the administrative functions of the program, including oversight of the contracts with the providers who render services to clients.

14. SERVICE DOGS TRAINING GRANT

GPR	$250,000

Governor: Provide $125,000 annually in a new, annual appropriation for grants for service dog training, and require DHS to award grants to organizations that train service dogs to assist providers in attaining accreditation specific to post-traumatic stress disorder training from Assistance Dog International. Require DHS to promulgate rules to establish a process and criteria for organizations to apply for these grants.

[Bill Sections: 417 and 795]

15. SCHOOL-BASED MENTAL HEALTH CONSULTATION PILOT PROGRAM

GPR	- $350,000

Governor: Delete the appropriation and associated program language for the school-based mental health consultation pilot program, and reduce funding by $175,000 annually to eliminate base funding for the program. The school-based mental health consultation program was created by 2019 Act 117 to provide consultation services to school personnel in Outagamie County. The Department contracted with the Medical College of Wisconsin to provide consultation services under the program. The Administration indicates that the program should be eliminated to reflect the conclusion of the pilot program.

[Bill Sections: 413 and 1152]

16. OFFICE OF CHILDREN'S MENTAL HEALTH

	Funding	Positions
GPR	$142,300	1.00

Governor: Provide $63,800 in 2023-24 and $78,500 in 2024-25 and 1.0 position, beginning in 2023-24, for the Wisconsin Office of Children's Mental Health. The Administration indicates that the position, which would be a program and policy analyst-advanced, would support carrying out the duties of the Office. The Office of Children's Mental Health is charged with improving integration across state agencies that provide mental health services to children and monitoring the performance of state programs that provide these services. The Office is independent of DHS, but is attached to the Department for administrative purposes. It currently has 4.0 positions and a base budget of $572,500 GPR.

17. SUBSTANCE USE DISORDER TREATMENT PLATFORM

GPR	$60,000

Governor: Provide $30,000 annually for the cost to maintain a substance use disorder treatment platform, which is an online resource listing available treatment providers, including information on the type of services each provider offers and their location. The Joint Committee on Finance approved one-time funding of $300,000 GPR, under s. 13.10 of the statutes, for the development of the platform in February of 2022. The Department contracted with a vendor, which is developing the platform. This item would provide ongoing funding for the continuing maintenance of the platform.

18. MARIJUANA REVENUE -- PAYMENTS FOR COUNTY BEHAVIORAL HEALTH SERVICES

SEG	$44,400,000

Governor: Create a segregated appropriation, supported by the community reinvestment fund, that would authorize DHS to expend all moneys received from the fund to provide grants to counties to support mental health and substance use disorder services. Estimate that DHS would expend $44,400,000 from the appropriation in 2024-25. Require DHS to promulgate administrative rules establishing the grants.

Establish the community reinvestment fund, a segregated trust fund consisting of all moneys

the state receives from a proposed 15% wholesale excise tax and a proposed 10% retail excise tax on marijuana sales, and all interest earnings of fund revenues and penalties associated with the taxation provisions.

Separate items relating to the legalization of marijuana, the establishment of the marijuana taxes, and the regulation of various aspects of marijuana cultivation and sale are summarized under "Marijuana-Related Provisions," "Revenue--General Fund Taxes," and "Agriculture and Consumer Protection--Regulatory Programs," respectively.

[Bill Sections: 419, 598, and 2581]

Care and Treatment Facilities

1. NONFOOD SUPPLIES AND SERVICES

GPR	$40,025,600
PR	93,294,200
Total	$133,319,800

Governor: Provide $62,089,200 ($17,500,400 GPR and $44,588,800 PR) in 2023-24 and $71,230,600 ($22,525,200 GPR and $48,705,400 PR) in 2024-25 to fund projected increases in nonfood supplies and services costs for the Department's care and treatment facilities. Base funding for nonfood supplies and services for the Department's facilities is $59,134,500 ($32,025,000 GPR and $27,109,500 PR).

Nonfood supplies and services includes medical services, medical supplies, prescription drugs, clothing, laundry and cleaning supplies. For medical services and prescription drugs, the Administration's estimate calculates the average per person costs by facility, inflates the per person cost by the average growth rate over the past three years (with certain exceptions for extreme values) and multiplies the results by the projected average population for each facility. For other supplies and services, the estimate uses a 5.9% annual inflationary growth rate, which was the 12-month change in the consumer price index (excluding food and energy) in June of 2022.

For the 2023-25 biennium, the nonfood supplies and services adjustment includes funding for contract staffing, electronic health records implementation costs, and COVID-19 testing, based on monthly average expenditures for these items in 2021-22. Collectively these three expenditure categories account for 89% of the biennial increase. The following table shows the funding associated with each of these three categories, along with the funding provided for all other nonfood supplies and services.

Item	2023-24	2024-25
Contract Staffing	$36,280,800	$36,280,800
COVID-19 Testing	13,302,000	13,302,000
Electronic Health Records	9,480,800	10,037,400
Other Nonfood Supplies and Services	3,025,600	11,610,400
Total Request	$62,089,200	$71,230,600

For all nonfood supplies and services, the funding is allocated between GPR and PR sources based on the mix of patients and residents. Generally, services for forensic patients at the mental health institutes and patients at the secure treatment facilities are funded with GPR, while services for civil mental health patients and residents of the state centers are funded with program revenue collected from counties or Medical Assistance reimbursement.

2. RESIDENT FOOD REESTIMATE

GPR	$2,852,200
PR	1,630,100
Total	$4,482,300

Governor: Provide $1,849,400 ($1,172,300 GPR and $677,100 PR) in 2023-24 and $2,632,900 ($1,679,900 GPR and $953,000 PR) in 2024-25 to fund projected increases in food costs at the Department's seven care and treatment facilities. The Administration developed estimates of food costs for residents by inflating actual 2021-22 per person food expenditures at each of the facilities, using an inflation index for food, as reported by the U.S. Bureau of Labor Statistics, for the 12-month period ending July of 2022. This rate, which was 10.9%, is first used to project 2022-23 food costs, and then applied again to the two years of the 2023-25 biennium. The resulting per person averages are multiplied by the Department's projections of the average daily occupancy at each facility to estimate total food costs. Base funding for food costs is $5,163,400 ($3,498,000 GPR and $1,665,400 PR).

3. SALARY ADD-ON FOR SELECTED POSITIONS

GPR	$3,740,700
FED	4,367,100
PR	14,331,800
Total	$22,439,600

Governor: Provide $11,557,700 ($1,903,500 GPR, $2,347,000 FED, and $7,307,200 PR) in 2023-24 and $10,881,900 ($1,837,200 GPR, $2,020,100 FED, and $7,024,600 PR) in 2024-25 to provide hourly wage increases for certain nursing and therapy staff positions at the Department's facilities and disability determination and income maintenance positions in the Division of Medicaid Services. The permanent hourly wage increases would replace temporary pilot add-ons provided for these positions, which the Department of Administration's Division of Personnel Management implemented under terms of the 2021-23 compensation plan. The pilot wage adjustments, which are scheduled to expire at the end of the 2021-23 biennium, provide hourly increases for nurse clinicians, licensed practical nurses, nursing assistants, residential care technicians, respiratory therapists, disability determination associates, and income maintenance specialists.

4. OVERTIME SUPPLEMENT

GPR	$10,679,800
PR	4,338,000
Total	$15,017,800

Governor: Provide $7,508,900 ($5,339,900 GPR and $2,169,000 PR) annually to fund anticipated overtime costs at the Department's care and treatment residential facilities. The funding under this item reflects the difference between the actual overtime costs in 2021-22 at each facility and the amount that is provided by the bill under the overtime standard budget adjustment. The overtime funding provided in the standard budget adjustment item is based on the amount of funding provided for overtime by the 2021-23 budget. Since actual overtime costs in 2021-22 exceeded the funding provided by the budget, the funding in this item is intended to make up the difference.

The following table shows, by facility and fund source, the annual overtime increase that would be provided under the standard budget adjustment item, the funding increase under this item, and the total funding that would be available annually to support overtime costs under the bill.

	Standard Budget Adjustments			Overtime Supplement (This Item)			Total Annual Overtime Budget		
Facility	GPR	PR	Total	GPR	PR	Total	GPR	PR	Total
Mendota MHI	$5,208,400	$1,196,300	$6,404,700	$3,326,200	$763,900	$4,090,100	$8,534,600	$1,960,200	$10,494,800
Winnebago MHI	879,600	2,769,000	3,648,600	452,700	1,424,800	1,877,500	1,332,300	4,193,800	5,526,100
Sand Ridge STC	1,415,700	0	1,415,700	541,100	0	541,100	1,956,800	0	1,956,800
WI Resource Center	1,893,100	0	1,893,100	1,019,900	0	1,019,900	2,913,000	0	2,913,000
Central WI Center	0	3,787,100	3,787,100	0	106,800	106,800	0	3,893,900	3,893,900
Northern WI Center	0	419,300	419,300	0	114,400	114,400	0	533,700	533,700
Southern WI Center	0	2,263,000	2,263,000	0	-240,900	-240,900	0	2,022,100	2,022,100
Total	**$9,396,800**	**$10,434,700**	**$19,831,500**	**$5,339,900**	**$2,169,000**	**$7,508,900**	**$14,736,700**	**$12,603,700**	**$27,340,400**

5. MENDOTA JUVENILE TREATMENT CENTER -- STAFFING AND FUNDING FOR EXPANSION

	Funding	Positions
PR	$24,691,800	174.00

Governor: Provide $9,075,800 and 114.5 positions in 2023-24 and $15,616,000 and 174.0 positions in 2024-25 to provide position and expenditure authority to expand the capacity of the Mendota Juvenile Treatment Center (MJTC).

MJTC, which is on the campus of the Mendota Mental Health Institute (MMHI) in Madison, is a juvenile correctional facility that provides psychiatric evaluation and treatment for juveniles transferred from the juvenile correctional system whose behavior is highly disruptive and who have not responded to standard services and treatment at the Department of Corrections' (DOC) secure correctional facility at Lincoln Hills. MJTC treatment and programming includes therapy for anger management, treatment to address substance abuse, sexual offense, or mental illness, and academic support. MJTC has 29 staffed beds for male juveniles, in addition to a 14-bed unit that is currently being used for adult forensic patients at MMHI. MJTC has a 93.0 authorized PR positions and base expenditure authority of $9,859,400. The Department charges a daily rate to DOC for juveniles placed at MJTC, so actual staffing and expenditures generally reflects the census.

An expansion project, which will add 30 beds for males juveniles and 20 beds for female juveniles, is expected to be completed in October of 2023. Upon completion, the existing MJTC units will undergo renovation, which is expected to be completed in January of 2025. This item would provide PR position and expenditure authority in two phases, aligning with the completion of the new construction and renovation. When fully complete, MJTC will have physical space for 93 beds, including 20 females and 73 males. Although this item would provide position and expenditure authority based on fully using this space, actual expenditures would be constrained by daily rate charges collected from DOC.

6. EXPAND NORTHERN WISCONSIN CENTER'S INTENSIVE TREATMENT PROGRAM

	Funding	Positions
PR	$15,508,600	92.00

Governor: Provide $6,751,000 annually in 2023-24 and $8,757,600 in 2024-25 to fund 92.0 positions, beginning in 2023-24, to expand the intensive treatment program (ITP) at Northern Wisconsin Center (NWC).

NWC currently provides ITP services to people ages 14 and older with an intellectual disability and co-occurring mental health or behavioral disorder. ITP services include behavioral and psychiatric evaluation and treatment, medical services, and vocational programing. Patients in NWC's program reside at NWC while participating in the ITP. In 2021-22, the ITP served an average daily population of 11 patients.

DHS currently has 25 licensed beds at NWC and does not plan to add additional licensed beds. Rather, the bill would provide staff to expand services for up to 12 additional residents. The Administration estimates that of the $15,508,600 for the biennium, $3,560,100 would fund resident costs (such as food) and the remaining $11,948,500 would fund staff costs (such as salary, fringe benefits, and supplies and services) of the additional 92.0 positions.

7. WISCONSIN RESOURCE CENTER -- TRANSFER DEPARTMENT OF CORRECTIONS POSITIONS TO DHS

	Funding	Positions
GPR	$18,641,200	110.00

Governor: Provide $9,320,600 annually and 110.0 positions, beginning in 2023-24, to reflect the transfer of security positions currently budgeted under the Department of Corrections (DOC) to the Wisconsin Resource Center (WRC). Repeal a statutory provision that specifies that security staff at the WRC shall be employees of the Department of Corrections and modify the appropriation authority for WRC to reflect this change. An item summarized under Corrections--Adult Institutions reflects the reduction in position authority and funding in that agency.

Specify that 110.0 FTE GPR positions, and the incumbent employees holding those positions in the Department of Corrections who are responsible for the performance of security operations at WRC, as determined by the DOA Secretary, would be transferred to DHS. Specify that the transferred employees have all the rights and the same status DHS that they enjoyed in DOC immediately before the transfer and that no transferred employee who has attained permanent status would be required to serve a probationary period.

Specify that all assets and liabilities of the Department of Corrections that are primarily related to security operations at WRC, as determined by the DOA Secretary would be become the assets and liabilities of DHS. Specify that all tangible personal property, including records, of DOC that are primarily related to security operations at WRC would be transferred to DHS.

Specify that any matter pending with DOC on the effective date of the bill that is primarily related to security operations is transferred to DHS and that all materials submitted to or actions taken by DOC with respect to the pending matter are considered as having been submitted to or taken by DHS.

Specify that all contracts entered into by DOC primarily related to security operations at WRC in effect on the effective date of the bill remain in effect and would be transferred DHS. Require DHS to carry out any obligations under those contracts unless modified or rescinded to the extent allowed under the contract.

The Wisconsin Resource Center, in Oshkosh, is a secure treatment facility operated by the Department of Health Services that provides mental health and substance abuse treatment for inmates transferred from DOC prisons. DHS operates the facility and provides the treatment services, but security functions are performed by the Department of Corrections personnel under the direction of the Oshkosh Correctional Institution. This item would transfer 71 correctional officer positions, 31 correctional sergeant positions, and eight supervising officer positions from DOC to DHS so that all personnel at WRC would be under the direction of DHS.

[Bill Sections: 403, 792, 793, and 9108(1)]

8. CONTRACTED COMMUNITY SERVICES

GPR	$10,999,800

Governor: Provide $3,910,700 in 2023-24 and $7,089,100 in 2024-25 for projected costs of the Division of Care and Treatment Services contracts for community-based mental health services for the treatment and monitoring for its forensic and sexually violent persons programs.

The funding in this item pertains to six contracted programs: (a) supervised release services; (b) conditional release services; (c) competency restoration services; (d) outpatient competency examination; (e) Department of Correction community supervision services; and (f) court liaison services. Each of these services, which are funded from a single GPR appropriation, are described below. For the first five of these services, the Administration's estimates generally use a caseload growth factor, based on recent trends, and an annual inflationary adjustment to the per-client costs. For the inflationary adjustment, the estimate uses 5.9% annual rate, which was the 12-month change in the consumer price index (excluding food and energy) in June of 2022. For the sixth contract, for court liaison services, the estimate adjusts the contract total by the inflationary rate, rather than calculating the cost on a per-client basis.

The final cost estimates for each contract are summed and the total for each year is subtracted from the total appropriation base, to determine the Governor's recommended funding increases. In addition to the estimated contract costs, this item includes limited-term employee (LTE) salary funding to provide supportive living needs for individuals on supervised release.

Unlike the other funding in this item, the funding for LTE salaries would be provided in the DCTS general operations appropriation.

The following table shows the estimated totals for each of the six contracted services, and the difference between the totals and the appropriation base. The LTE salary component is shown in a separate row above the total.

	2023-24	2024-25
Appropriation Base*	$20,389,500	$20,389,500
Estimated Contract Costs		
Supervised Release	7,492,900	8,708,900
Conditional Release	6,213,100	6,675,200
Competency Restoration**	4,180,000	5,057,800
Outpatient Competency Exams	4,068,700	4,489,700
DOC Community Supervision	1,966,600	2,150,400
Court Liaison Services	270,100	286,000
Total Estimated Contract Cost	$24,191,400	$27,368,000
Total Estimate Minus Base	$3,801,900	$6,978,500
LTE Salary for Supervised Release	$108,800	$110,600
Total Increase in Bill	$3,910,700	$7,089,100

* This is the base used for the Administration's calculation. The actual base is $20,560,800.

** Includes standard, community-based competency restoration services and jail-based competency restoration.

In developing the estimate, the Administration excluded the current funding for court liaison services, which is $171,300, from the appropriation base. Excluding this amount from the base has the effect of overstating the amount needed to fully fund the contract estimates by $171,300 in each year. The table above shows the appropriation base that was the basis of the estimate, in order to match the amount of funding provided by the bill.

Description of Contracted Services

Supervised Release Services. The supervised release program provides community-based treatment to individuals who are found to be sexually violent persons (SVPs) under Chapter 980 of the statutes. SVPs are committed to DHS and provided institutional treatment at the Sand Ridge Secure Treatment Center in Mauston, but may petition the court for supervised release if at least 12 months have elapsed since the initial commitment order was entered, since the most recent release petition was denied, or since the most recent order for supervised release was revoked. The supervised release program provides intensive monitoring, continued treatment, and supportive services for transition back into the community.

Conditional Release Services. The conditional release program provides monitoring and treatment to individuals who have been found not guilty by reason of mental disease or defect and are either immediately placed on conditional release following the court's finding or following release from one of the state's mental health institutes.

Competency Restoration Services. DHS contracts with a vendor to provide outpatient treatment services to individuals who are determined to be incompetent to proceed to a criminal trial if a court determines that the individual is likely to be competent within 12 months, or within the time of the maximum sentence specified for the most serious offense with which the defendant is charged. These services are delivered on an outpatient basis for individuals who, based on an assessment of their risk level, are able to live in the community, or in county jails, as an alternative to admitting those individuals to one of the mental health institutes for treatment.

Outpatient Competency Examination. Chapter 971 of the statutes prohibits courts from trying, convicting, or sentencing an individual if the individual lacks substantial mental capacity to understand the proceedings or assist in his or her own defense. Courts may order DHS to conduct competency examinations, which may be performed either on an inpatient basis by DHS staff at the state mental institutes, or on an outpatient basis in jails and locked units of other facilities by contracted staff.

Department of Corrections Community Supervision. DHS contracts with the Department of Corrections for the supervision of clients in the supervised release and conditional release programs. The contract includes supervision, transportation escort, and global positioning system (GPS) monitoring.

Court Liaison Services. The Department contracts for the cost of court liaison services, used to provide consultation to courts regarding mental health issues for individuals in the judicial system.

Components of the Estimates

The following table shows the Administration's caseload and annualized, per person costs projections for the contracted services for which budget estimates are calculated on a per person basis. Estimates are shown for 2022-23, in addition to the two years of the 2023-25 biennium.

	Caseload Estimates			Annualized Per Person Cost		
Contracted Service	2022-23	2023-24	2024-25	2022-23	2023-24	2024-25
Supervised Release	84	92	101	$76,684	$81,209	$86,000
Conditional Release	321	332	337	17,671	18,714	19,818
Competency Restoration						
Community-based	163	201	238	$13,406	$14,197	$15,034
Jail-based	464	489	513	2,576	2,728	2,889
Outpatient Competency Exams	2,144	2,571	2,679	$1,494	$1,583	$1,676
DOC Community Supervision	405	424	438	4,377	4,635	4,909

9. FORENSIC ASSERTIVE COMMUNITY TREATMENT TEAMS

GPR	$9,898,400
FED	3,105,800
Total	$13,004,200

Governor: Provide $6,502,100 ($4,949,200 GPR and $1,552,900 FED) annually to support treatment services delivered under an assertive community treatment model for individuals with serious mental illness that are involved in the criminal justice system. The assertive community treatment model uses a team approach to provide intensive services for individuals transitioning from institutional setting to the community. As used for a forensic population (forensic assertive community treatment, or FACT) the treatment focuses on risks and needs associated with criminal behavior. Individual services can include psychiatric and substance abuse treatment, housing and employment assistance, family education, medication management, and assistance with court proceedings, as applicable. The Administration indicates that the intent is to divert these individuals away from hospitalization, re-arrest, and incarceration.

The funding under this item has two components. First, $3,914,000 annually would be provided to fund the estimated cost of staff to support FACT teams with sufficient capacity to serve approximately 200 individuals. The Administration indicates that DHS would award contracts on a competitive basis for two or three treatment teams. Second, $2,588,100 ($1,035,200 GPR and $1,552,900 FED) annually would be budgeted to support the estimated cost for treatment services for FACT participants that are reimbursable under the Medical Assistance program.

10. MENTAL HEALTH INSTITUTES FUND SOURCE REALLOCATION

	Funding	Positions
GPR	- $12,482,000	- 59.10
PR	12,482,000	59.10
Total	$0	0.00

Governor: Reduce funding by $6,116,600 GPR in 2023-24 and $6,365,400 GPR in 2024-25, reduce positions by 56.77 GPR in 2023-24 and 59.10 GPR in 2024-25, and provide corresponding PR funding and position increases to reallocate the funding source for services provided at the state mental health institutes. The funding and position adjustments reflect the Administration's estimated changes in the percentage of patients whose care will be funded with GPR and PR, respectively, in the 2023-25 biennium. The state is responsible for the cost of caring for forensic patients, funded with GPR, while the Department collects PR assessments from counties or health insurance for the cost of the care of civil patients, including emergency detention. For the 2023-25 biennium, the Administration anticipates that a higher share of the total patient population will be civil patients, resulting in a funding reallocation from GPR to PR sources.

11. DEBT SERVICE

GPR	$3,193,300

Governor: Provide $942,600 in 2023-24 and $2,250,700 in 2024-25 to reflect estimates of debt service payments on bonds issued for capital projects at DHS care and treatment facilities. Base debt service funding is $16,583,400. With the adjustments under this item, total debt service payments are estimated at $17,526,000 in 2023-24 and $18,834,100 in 2024-25.

12. FUEL AND UTILITIES

GPR	$97,000

Governor: Provide $10,100 in 2023-24 and $86,900 in 2024-25 to reflect an estimate of GPR-funded fuel and utilities costs at the care and treatment facilities. Base funding for fuel and utilities costs is $5,707,000 GPR and $6,927,800 PR. With the adjustments under this item, the GPR appropriation for fuel and utilities would be $5,717,100 in 2023-24 and $5,793,900 in 2024-25. The bill would not adjust the PR appropriation for fuel and utilities.

Quality Assurance

1. HEALTH CARE PROVIDER INNOVATION GRANTS

GPR	$22,500,000

Governor: Provide $7,500,000 in 2023-24 and $15,000,000 in 2024-25 to fund health care provider innovation grants.

Authorize DHS to distribute not more than $15,000,000 in each fiscal year as grants to health care and long-term care providers to implement best practices and innovative solutions to increase worker recruitment and retention.

[Bill Section: 800]

2. BUREAU OF ASSISTED LIVING STAFF

	Funding	Positions
GPR	$2,535,000	19.68
FED	1,592,200	12.32
Total	$4,127,200	32.00

Governor: Provide $1,814,500 ($1,114,500 GPR and $700,000 FED) in 2023-24 and $2,312,700 ($1,420,500 GPR and $892,200 FED) in 2024-25 to fund 32.0 positions (19.68 GPR and 12.32 FED), beginning in 2023-24, to address a backlog of surveys the Bureau of Assisted Living (BAL) conducts in response to complaints, to license new facilities, and to meet its standard of conducting a licensing survey for every facility at least once every two years. Of the additional positions, 31.0 would be assigned to BAL and 1.0 would be an attorney assigned to the Office of Legal Counsel to meet the increased workload resulting from these additional surveys.

BAL is responsible for licensing and surveying community-based residential facilities, some adult family homes, and residential care apartment complexes and certifying substance abuse and mental health treatment programs. The Bureau is currently authorized 75.0 positions, including 49.0 surveyors.

3. OFFICE OF CAREGIVER QUALITY

	Funding	Positions
GPR	$592,700	4.00
FED	423,600	2.80
PR	635,500	4.20
Total	$1,651,800	11.00

Governor: Provide $739,700 ($266,000 GPR, $189,500 FED, and $284,200 PR) in 2023-24 and $912,100 ($326,700 GPR, $234,100 FED, and $351,300 PR) in 204-25, to fund 11.0 positions (4.0 GPR, 2.8 FED, and 4.2 PR) beginning in 2023-24. According to the Administration, these positions would enable the Department to increase investigations into allegations of misconduct in long-term care facilities and expand the background check program.

4. ASSISTED LIVING REVENUE SUPPLEMENT

GPR	$1,500,000

Governor: Provide $750,000 annually to supplement the revenue collected from assisted living facilities and program certification fees for outpatient mental health facilities. The Administration indicates that this funding is necessary to avoid a fee increase for these providers.

5. HEALTH CARE PROVIDER LICENSING, CERTIFICATION, AND INCIDENT REPORTING SYSTEM UPGRADE

	Funding	Positions
GPR	$738,300	0.30
FED	89,200	0.70
Total	$827,500	1.00

Governor: Provide $56,100 ($16,900 GPR and $39,200 FED) in 2023-24 and $771,400 ($721,400 GPR and $50,000 FED) in 2024-25, and 1.0 position (0.30 GPR and 0.70 FED), beginning in 2023-24, to modernize the health care provider licensing, certification, and health care staff misconduct incident reporting computer systems. The position would provide data analysis and support services for DHS staff using data from the new system.

6. NURSING HOME GRANT PROGRAM

	Funding	Positions
PR	$156,900	1.00

Governor: Provide $70,000 in 2023-24 and $86,900 in 2024-25 to fund 1.0 grant specialist position, beginning in 2023-24, to administer the nursing home grant program. The position would review applications, develop and manage grant agreements, and conduct outreach and marketing for the program.

Currently, the program is administered by several staff in the Division of Quality Assurance (DQA). The federal Centers for Medicare and Medicaid Services (CMS) collects civil money penalties (CMP) from nursing facilities that have not maintained compliance with federal nursing home requirements and distributes a portion of this revenue to states to support projects to protect the health or property of residents of nursing facilities.

7. STAFFING REQUIREMENT FOR HOSPITAL EMERGENCY SERVICES

Governor: Specify that DHS must require a hospital that provides emergency services to have sufficient qualified personnel at all times to manage the number and severity of emergency cases anticipated by the location. Specify, that at all times, a hospital that provides emergency services must have on-site at least one physician who, through education, training, and experience,

specializes in emergency medicine [See Safety and Professional Services].

[Bill Section: 1142]

FoodShare and Public Assistance Administration

1. FOODSHARE EMPLOYMENT AND TRAINING PROGRAM

GPR	$9,091,200
FED	3,773,200
Total	$12,864,400

Governor: Provide $7,444,000 ($4,067,500 GPR and $3,376,500 FED) in 2023-24 and $5,420,400 ($5,023,700 GPR and $396,700 FED) in 2024-25 to fund costs of projected increases in the number of individuals who will participate in the FoodShare employment and training (FSET) program upon the resumption of the federal ABAWD (able-bodied adult without dependents) policy.

ABAWD Work Requirement. Under federal law, able-bodied adults who are able to work, are 18 to 49 years of age, are not pregnant, and do not reside with any children under the age of 18, are required to meet a work requirement of at least 20 hours per week as a condition of receiving supplemental nutrition assistance program (SNAP) benefits. This work requirement can be met through paid work, volunteer work, in-kind work, or participation in FSET or a similar job training program. Individuals who do not meet this work requirement are limited to three months of FoodShare benefits in a 36-month period. In addition to individuals participating in FSET to meet the ABAWD work requirement, FSET participation is open to all FoodShare members ages 16 and older.

Temporary Suspension of the ABAWD Work Requirement. Under the federal Families First Coronavirus Response Act, the ABAWD policy has been suspended since March, 2020. This suspension is currently in effect and will remain so until the end of the month subsequent to the month that the U.S. Secretary of Health and Human Services declares that the SARS-CoV-2 public health emergency has ended. With the federal public health emergency ending in May, 2023, the ABAWD policy will be re-implemented statewide beginning in July, 2023. Due to the length of time that the ABAWD policy has been suspended, the Food and Nutrition Services is requiring states to restart the 36-month clock for all ABAWDs.

Enrollment. With the resetting of the 36-month clock for all ABAWDs, the Administration assumes that the percentage of total FoodShare participants who will enroll in FSET under the reinstated ABAWD policy will largely mirror the percentage of total FoodShare participants who enrolled in FSET during the initial implementation of the ABAWD policy statewide beginning in April, 2015. As such, the Administration estimates that average monthly FSET enrollment will be 7,079 in 2022-23, 10,292 in 2023-24, and 8,796 in 2024-25.

Enrollee Expenditures. The Administration estimates that total per enrollee per month expenses will be $410.72 in 2022-23 and decrease to $394.88 in 2023-24 and subsequently

increase to $400.84 in 2024-25. These total expenses are primarily based on payments to the FSET program's vendors, but also include $1,371,800 annually, which funds administrative expenses relating to the FSET program. Excluding the amounts for administrative expenses, the Administration estimates average per enrollee per month payments to the FSET vendors of $383.77 in 2023-24 and $387.84 in 2024-25.

Carry Over Funding. The Administration estimates that FSET funding for 2023-25 will be offset by unspent carry over funding from 2022-23 resulting from a decrease in average monthly FSET enrollment, in part due to the temporary suspension of the ABAWD work requirement.

The following table summarizes the Administration's caseload, cost, and funding estimates for the FSET program in for the 2023-25 biennium if no additional GPR funding is provided. The GPR funding increase in the bill ($9,091,200) would fully fund the Administration's estimates of program costs in the 2023-25 biennium.

2023-25 FSET Expenses and Funding

	2023-24	2024-25
Total Annual Administrative Expenses	$1,371,800	$1,371,800
Total Annual Vendor Expenses	$47,397,100	$40,937,600
Average Monthly Enrollment	10,292	8,796
Per Enrollee per Month Vendor Expenses	$383.77	$387.84
Total Program Expenses (Total Annual Vendor + Administrative Expenses)	$48,768,900	$42,309,400
100% Federal Funding Offset	$3,014,400	$3,014,400
Total Program Expenses After FED Offset	$45,754,500	$39,295,000
50% GPR Expenses	$22,877,300	$19,647,500
50% FED Expenses	$22,877,200	$19,647,500
Existing GPR Funding		
GPR Base Funding	$14,623,800	$14,623,800
Projected GPR Carry Over	$4,186,000	-$4,067,500
GPR Surplus/Deficit (Existing GPR - 50% GPR Expenses)	-$4,067,500	-$9,091,200

2. PAYMENT PROCESSING EQUIPMENT FOR FARMERS MARKETS AND DIRECT MARKETING FARMERS

GPR	$1,470,000

Governor: Provide $735,000 annually to supply payment processing equipment and services to farmers markets and direct-marketing farmers to process debit and credit card payments, including electronic benefit transfer cards used by FoodShare recipients. Specify that to participate in the payment processing program, a vendor must also process any local purchasing incentives, even if those local purchasing incentives are funded by a local third party entity.

The federal Agricultural Act of 2014 requires that supplemental nutrition assistance program

(SNAP or FoodShare in Wisconsin) retailers purchase their own EBT processing equipment. However, states may provide no-cost, EBT-only point of sale processing equipment to certain farmers markets and direct-marketing farmers that may be exempt from the federal requirement.

[Bill Section: 1130]

3. DOUBLE UP FOOD BUCKS PILOT PROGRAM

	Funding	Positions
GPR	$536,600	0.50
FED	536,600	0.50
Total	$1,073,200	1.00

Governor: Provide $176,400 ($88,200 GPR and $88,200 FED) in 2023-24 and $896,800 ($448,400 GPR and $448,400 FED) in 2024-25 and 1.0 (0.5 GPR and 0.5 FED) position, beginning in 2023-24, to administer a statewide healthy eating incentive pilot program.

Require DHS to establish and implement a statewide healthy eating incentive Double Up Food Bucks pilot program under the federal Gus Schumacher Nutrition Incentive Program to match FoodShare benefit amounts spent by recipients on fruits and vegetables from participating retailers with additional benefit amounts to be used for the purchase of additional fruits and vegetables.

Define "fruit and vegetables" to mean any variety of fresh, canned, dried, or frozen, whole or cut, fruits or vegetables, without added sugars, fats, oils, or salt for purposes of this program.

Require that in implementing the Double Up Food Bucks pilot program DHS: (a) submit a waiver request to the U.S. Department of Agriculture (USDA) or any other federal approval necessary to allow DHS to implement the program; (b) seek any available funding, including federal funds under the federal Gus Schumacher Nutrition Incentive Program, to fund implementation of the program; and (c) not implement the program if the USDA disapproves the Department's request or if the Department is unable to obtain sufficient funding for the program.

Create an appropriation from which development and administration of the healthy eating incentives program and electronic payment processing equipment and services for farmers' markets and farmers who sell directly to consumers would be funded.

[Bill Sections: 406 and 1129]

4. REPEAL FOODSHARE WORK REQUIREMENT FOR ABLE-BODIED ADULTS WITH DEPENDENTS

Governor: Repeal provisions enacted in 2017 Act 264 relating to required participation in the FoodShare employment and training (FSET) program, subject to certain exceptions. Consequently, only able-bodied adults without dependents, subject to certain exceptions, would be required to participate in the program.

With the repeal, DHS must require, to the extent allowed by the federal government, that able-bodied adults without dependents (ABAWDs) participate in FSET, except for ABAWDs who are employed, as determined by DHS. The bill would retain the Department's current authority to

require able individuals who are 18 to 60 years of age, or a subset of those individuals to the extent allowed by the federal government, who are not in a Wisconsin Works employment position, to participate in FSET.

Current law, requires that by October 1, 2019, not only all ABAWDs, but also all other able bodied adults between the ages of 18 and 50, who are not pregnant and not determined by DHS to be medically certified as physically or mentally unfit for employment or exempt from the work requirement as specified in federal law, must participate in FSET. Current law prohibits DHS from requiring participation in FSET for an individual who is: (a) enrolled at least half time in a school, a training program, or an institution of higher education; or (b) the caretaker of a child under the age of six or the caretaker of a dependent who is disabled. To date, DHS has not implemented the current law requirement as it relates to adults with dependent children, citing a lack of available funding to support FSET program costs.

[Bill Section: 1131]

5. REPEAL FSET DRUG SCREENING, TESTING, AND TREATMENT REQUIREMENTS

Governor: Repeal the requirement that eligibility for an able-bodied adult without dependents (ABAWD) to participate in the FoodShare employment and training (FSET) program is subject to compliance with the statutory screening, testing, and treatment policy for illegal use of a controlled substance without a valid prescription for the controlled substance.

Repeal provisions, enacted as part of 2017 Act 370, that require DHS to implement a drug screening, testing, and treatment policy for ABAWDs participating in FSET. In addition, repeal nonstatutory provisions contained in 2017 Act 370 as they pertain to implementing the drug screening, testing, and treatment provisions by October 1, 2019, and requiring compliance with the waiver provisions contained in 2017 Act 370, as though the drug screening, testing, and treatment provisions were a waiver request approved on December 16, 2018.

Repeal a biennial GPR appropriation that was created to fund substance abuse treatment costs under the FSET drug screening, testing, and treatment requirements. No funding has been budgeted for this purpose.

[Bill Sections: 405, 1132, 1134, and 3395]

6. REPEAL PAY-FOR-PERFORMANCE PAYMENT SYSTEM FOR FSET VENDORS

Governor: Repeal provisions enacted in 2017 Act 266 that require DHS to create and implement a payment system based on performance for FoodShare Employment and Training (FSET) program vendors.

Current law requires DHS to establish performance outcomes for the payment system based on: (a) the placement of participants into unsubsidized employment; (b) whether the placement is

full or part-time; (c) the job retention rate; (d) wages and benefits earned; (e) appropriate implementation of FSET; and (f) customer satisfaction. Implementation of the payment system is contingent on federal approval and must not affect the funding available for supportive services for participants in FSET. These provisions first applied to contracts DHS enters into or renews on the Act's effective date (April 12, 2018). However the Department's current contracts with the FSET vendors, effective for federal fiscal year 2022-23 (October 1, 2022 through September 30, 2023), do not include performance outcomes as the basis for payments.

[Bill Section: 1133]

7. MA AND FOODSHARE ADMINISTRATION -- CONTRACTS

GPR	$49,239,100
FED	89,178,000
Total	$138,417,100

Governor: Provide $65,486,800 ($23,069,500 GPR and $42,417,300 FED) in 2023-24 and $72,930,300 ($26,169,600 GPR and $46,760,700 FED) in 2024-25 to increase funding for contractual services and systems costs for the administration of the MA and FoodShare programs.

This item includes increases in GPR funding for programming services DHS purchases from Deloitte for the Client Assistance for Re-employment and Economic Support (CARES) system. The CARES system is used by county and state staff for eligibility determinations and managing cases for the state's public assistance programs. Under the bill, GPR funding for these programming services would increase from $11.5 million budgeted in 2022-23 to $26.5 million in 2023-24 and $28.1 million in 2024-25, largely due to the discontinuation of enhanced federal funding that was available to support these costs through September, 2022, and scheduled rate increases for programming services under the current contract.

This item also includes additional funding to support projects not funded in the current biennium, including: (a) replacing the current system used for administering the Birth to 3 program; (b) the development and implementation of a business operations support system for the Bureau of Fiscal Accountability and Management; (c) the creation of training modules to support professional development as part of the prenatal care coordination redesign project; (d) the development of a business tool to assist in the administration of the Wisconsin funeral and cemetery aids program to replace a payment tracking tool that is no longer functional; and (e) several enhancements to CARES.

Further, this item includes additional funding to support projected cost increases for several contracts, including the contract with Gainwell Technologies, the state's MA fiscal agent and contract vendor for the state's Medicaid management information system (MMIS) and contracts for telecommunications services used by MA recipients.

Finally, this item includes transferring expenditure authority for the costs associated with the Wisconsin Shares childcare statewide administration on the web (CSAW) system to the Department of Children and Families

The following table summarizes the GPR and FED funding amounts that would be budgeted for contracted services and systems costs for MA and FoodShare under the bill.

Summary of MA and FoodShare Administrative Contracts Funding -- GPR and FED
Governor's Recommendations

	2023-24			2024-25		
	GPR	FED	Total	GPR	FED	Total
FoodShare Electronic Benefit Contract	$1,221,600	$1,221,600	$2,443,200	$1,221,600	$1,221,600	$2,443,200
MMIS	37,230,900	82,913,400	120,144,300	40,091,200	91,316,800	131,408,000
MMIS Modules and Related Contracts	5,669,800	25,742,700	31,412,600	4,930,400	19,057,500	23,988,000
CARES Maintenance and Programming	39,962,100	73,917,900	113,191,300	40,957,700	77,495,700	118,453,400
Other	19,129,400	25,901,000	45,030,400	18,386,000	24,901,600	43,287,600
Telecommunications	2,781,300	3,399,400	6,180,800	2,819,600	3,446,200	6,265,800
Hearings and Appeals and Disability Determinations Charges	2,106,100	2,087,100	4,193,200	2,106,100	2,087,100	4,193,200
Subtotal	$107,412,500	$215,183,100	$322,595,800	$110,512,600	$219,526,500	$330,039,200
Adjustments						
Costs Funded from Other Appropriations	-$3,500,000	$0	-$3,500,000	-$3,500,000	$0	-$3,500,000
Net Expenditures	$103,912,500	$215,183,100	$319,095,600	$107,012,600	$219,526,500	$326,539,100
2022-23 Base Funding	$80,843,000	$172,765,800	$253,608,800	$80,843,000	$172,765,800	$253,608,800
Difference (Change to Base)	$23,069,500	$42,417,300	$65,486,800	$26,169,600	$46,760,700	$72,930,300

8. COVERING WISCONSIN

GPR	$2,000,000
FED	2,000,000
Total	$4,000,000

Governor: Increase funding for MA administrative contracts by $2,000,000 ($1,000,000 GPR and $1,000,000 FED) annually to increase funding for Covering Wisconsin, which assists residents in obtaining health insurance and navigating the insurance marketplace. In 2022-23, DHS has budgeted $500,000 ($250,000 GPR and $250,000) to fund a contract with Covering Wisconsin to provide these services.

9. SUPPLEMENTAL AMBULANCE REIMBURSEMENTS

GPR	$632,800
FED	632,800
Total	$1,265,600

Governor: Provide $632,800 ($316,400 GPR and $316,400 FED) annually to contract for the administration of a certified public expenditure (CPE) program to increase MA reimbursement to ambulance service providers owned by local governments. 2021 Act 228 requires the Department to create such a program, subject to federal regulatory approval, which will allow the state to claim federal matching funds on eligible ambulance service expenditures made by local governments and to make a supplemental payment for ambulance services using that revenue.

Additionally, make statutory changes related to a separate supplemental reimbursement created under Act 228, to be paid to private ambulance service providers using revenue generated from a new assessment on those providers and matching federal funds. Create a new appropriation to expend the assessment revenue on supplemental payments to ambulance service providers. Direct the DOA Secretary to transfer an amount equal to the cost of administering the assessment and supplemental payments from the new segregated ambulance trust fund to an existing PR

appropriation for MA administration.

[Bill Sections: 407, 409, 1078, and 2633]

10. INCOME MAINTENANCE -- LOCAL ASSISTANCE

GPR	$1,664,100
FED	2,121,200
Total	$3,785,300

Governor: Provide $1,506,800 ($677,700 GPR and $829,100 FED) in 2023-24 and $2,278,500 ($986,400 GPR and $1,292,100 FED) in 2024-25 to: (a) increase base contracts for income maintenance (IM) consortia and tribal IM agencies by 2% in 2023-24 and an additional 2% in 2024-25 ($302,700 GPR and $454,100 FED in 2023-24 and $611,400 GPR and $917,100 FED in 2024-25); and (b) increase funding to support fraud prevention investigations by $750,000 ($375,000 GPR and $375,000 FED) annually.

Eligibility and caseload management functions related to MA, FoodShare, Wisconsin Shares, and other public assistance programs are performed by county employees in all counties (except Milwaukee County) by 10 regional, multi-county IM consortia. State employees in Milwaukee Enrollment Services (MilES) perform these functions in Milwaukee County. In nine tribal jurisdictions, tribal agency staff provide these services. IM services are funded from a combination of state, federal, and local funds. Base GPR funding for IM eligibility and caseload management functions is $15,132,500 and $1,000,000 for fraud prevention investigations.

11. FUNERAL AND CEMETERY AIDS

GPR	- $549,600

Governor: Reduce funding by $396,800 in 2023-24 and by $152,800 in 2024-25 to reflect reestimates of the cost of payments under the Wisconsin funeral and cemetery aids program (WFCAP). Under the program, DHS reimburses costs incurred by funeral homes, cemeteries, and crematories for services they provide to certain deceased individuals who were eligible for MA or Wisconsin Works benefits at the time of their death. DHS is required to pay up to $1,000 for cemetery and crematory expenses and up to $1,500 for funeral and burial expenses that are not covered by the decedent's estate or other persons. The program does not provide any reimbursement if the total cemetery expenses exceed $3,500 or total funeral expenses exceed $4,500.

Base funding for the program is $8,476,700. The Administration estimates that reimbursement payments will total $7,843,000 in 2022-23, $8,079,900 in 2023-24 and $8,323,900 in 2024-25.

12. USE OF INDIVIDUAL INCOME TAX FORMS TO INITIATE HEALTH CARE ELIGIBILITY DETERMINATIONS

GPR	$529,200

Governor: Provide $529,200 in 2024-25 to implement an easy enrollment program for health care coverage.

Require the Department of Revenue (DOR) to include the following two questions and explanatory information on each individual income tax return, and a method for the taxpayer to

respond to each question:

- Are you, your spouse, your dependent children, or any eligible adult child dependent not covered under a health insurance policy, health plan, or other health care coverage? "Eligible adult child dependent" means a child who is under the age of 26 who is a full-time student or a child who is under the age of 27 who is called to active duty in the National Guard or armed forces reserve while enrolled as a full-time student.

- If one responded 'yes' to question 1, do you want to have evaluated your eligibility for Medical Assistance or your eligibility for subsidized health insurance coverage?

Require DOR to provide to each person who responds 'yes' to the second question that person's contact information and other relevant information from that person's individual income tax return to DHS to perform an evaluation of that person's eligibility for the Medical Assistance program or an evaluation of that person's eligibility for subsidized health insurance coverage through the health insurance marketplace for qualified health plans under the federal Patient Protection and Affordable Care Act. Prohibit DHS from using information it receives from DOR to determine that the individual is ineligible to enroll in the MA program. Authorize DHS staff to examine tax returns for the purposes of performing evaluations for health care eligibility.

Specify that these provisions would first apply to taxable years beginning after December 31, 2023.

[Bill Sections: 1366, 1530, and 9319(1)]

13. TRIBAL REIMBURSEMENT STAFF

	Funding	Positions
GPR	$154,100	1.00
FED	154,100	1.00
Total	$308,200	2.00

Governor: Provide $133,600 ($66,800 GPR and $66,800 FED) in 2023-24 and $174,600 ($87,300 GPR and $87,300 FED) in 2024-25 and 2.0 positions (1.0 GPR and 1.0 FED), beginning in 2023-24, to create a team within the Division of Medicaid Services' Bureau of Fiscal Accountability and Management dedicated to reimbursement structures and challenges related to Native American tribes and bands.

Different federal matching rates and policies apply to MA services provided to citizens of tribal nations and by tribal providers. DHS indicates that working with these structures creates significant administrative complexity. The proposed team would manage and administer the tribal shared savings program created under the 2021-23 biennial budget, including coordinating between tribal clinics, non-tribal providers serving tribal members under care coordination agreements, and the state's MA claims contractor. In addition, the team would resolve a backlog in cost settlements with tribal clinics, support tribal income maintenance agencies, address issues facing managed care providers and the non-emergency medical transportation manager relating to tribal claims, and meet other MA administrative needs related to tribes and bands.

14. MEDICAL ASSISTANCE RECOVERIES -- QUI TAM CLAIMS

Governor: Create procedures under which a private individual could bring a *qui tam* claim against a person who knowingly:

(a) Presents a false or fraudulent claim to a state agency, including a false or fraudulent claim for MA;

(b) Makes, uses, or causes to be made or used a false record or statement material to a false or fraudulent claim to a state agency, including a false or fraudulent claim for MA;

(c) Makes, uses, or causes to be made or used a false record or statement material to an obligation to pay or transmit money or property to the MA program, or knowingly conceals or knowingly and improperly avoids or decreases an obligation to pay or transmit money or property to the MA program;

(d) Makes, uses, or causes to be made or used, a false record or statement material to an obligation to pay or transmit money or property to a state agency, or conceals and improperly avoids or decreases an obligation to pay or transmit money to a state agency; or

(e) Conspires to commit any violation listed above.

Provide that any person who is found to have committed such an offense is liable to the state for three times the amount of the damages sustained by the state, or would have been sustained by the state, whichever is greater, because of these actions, and is subject to forfeitures, for each violation, an amount within the range specified in federal law ($5,000 to $10,000 per violation).

Direct the Department of Justice to diligently investigate possible violations of these provisions and authorize the Department to bring a civil action against a person if the Department determines that a person has committed an act that is punishable under these provisions.

Reduced Penalties Under Certain Conditions. Authorize a court to assess violators not less than two nor more than three times the amount of the damages sustained by the state because of the acts of the person, and may not assess any forfeiture, if the court finds all of the following:

(a) The person who commits the acts furnished the Attorney General with all information known to the person about the acts within 30 days after the date on which the person obtained the information.

(b) The person fully cooperated with any investigation by the state of the acts.

(c) At the time that the person furnished the Attorney General with information concerning the acts, no criminal prosecution or civil or administrative enforcement action had been commenced with respect to any such act, and the person did not have actual knowledge of the existence of any investigation into any such act.

Process. Provide that any person may bring a civil action as a *qui tam* plaintiff against a person who commits a violation for the person and the state in the name of the state, subject to conditions specified in the bill involving actions by the Attorney General or court.

Require a plaintiff to serve upon the Attorney General a copy of the complaint and documents disclosing substantially all material evidence and information that the plaintiff possesses. Require the plaintiff to file a copy of the complaint with the court for inspection in camera. Provide that, unless extended by the Attorney General for good cause, the complaint must remain under seal for a period of 60 days from the date of filing and may not be served upon the defendant until the court so orders. Specify that within 60 days from the date of service upon the Attorney General of the complaint, evidence, and information, the Attorney General may intervene in the action.

Provide that any complaint filed by the state in intervention, whether filed separately or as an amendment to the qui tam plaintiff's complaint, must relate back to the filing date of the qui tam plaintiff's complaint to the extent that the state's claim arises out of the conduct, transactions, or occurrences set forth, or attempted to be set forth, in the qui tam plaintiff's complaint.

Provide that, before the expiration of the period during which the complaint remains under seal, the Attorney General must do one of the following:

1. Proceed with the action or an alternate remedy, in which case the action or proceeding would be be prosecuted by the state.

2. Notify the court that he or she declines to proceed with the action, in which case the person bringing the action may proceed with the action.

Provide that, if a person brings a valid action under these provisions, no person other than the state may intervene or bring a related action based upon the same facts underlying the original action while the original action is pending. Specify that in any action brought under these provisions or alternative proceeding, the plaintiff is required to prove all essential elements of the cause of action or complaint, including damages, by a preponderance of the evidence.

Provide that if the state proceeds with the action or an alternate remedy, the state has primary responsibility for prosecuting the action or proceeding under the alternate remedy. Specify that the state is not bound by any act of the person bringing the action, but that person has the right to continue as a party to the action.

Settlements. Provide that, with the approval of the Governor, the Attorney General may compromise and settle an action or an administrative proceeding to which the state is a party, notwithstanding objection of the person bringing the action, if the court determines, after affording to the person bringing the action the right to a hearing at which the person is afforded the opportunity to present evidence in opposition to the proposed settlement, that the proposed settlement is fair, adequate, and reasonable considering the relevant circumstances pertaining to the violation.

Court-Imposed Limitations on Participation by Claimants. Provide that, upon a showing by the state that unrestricted participation in the prosecution of an action or an alternate proceeding to which the state is a party by the person bringing the action would interfere with or unduly delay the prosecution of the action or proceeding, or would result in consideration of repetitious or irrelevant evidence or evidence presented for purposes of harassment, the court may limit the

person's participation in the prosecution, such as: (a) limiting the number of witnesses that the person may call; (b) limiting the length of the testimony of the witnesses; (c) limiting the cross-examination of witnesses by the person; and (d) otherwise limiting the participation by the person in the prosecution of the action or proceeding.

Provide that, upon a showing by a defendant that unrestricted participation in the prosecution of an action or alternate proceeding under to which the state is a party by the person bringing the action would result in harassment or would cause the defendant undue burden or unnecessary expense, the court may limit the person's participation in the prosecution.

Prosecution by Individuals. Provide that, if the state elects not to participate in an action, the person bringing the action may prosecute the action. Specify that, if the Attorney General so requests, the Attorney General must, at the state's expense, be served with copies of all pleadings and deposition transcripts in the action. Provide that, if the person bringing the action initiates prosecution of the action, the court, without limiting the status and rights of that person, may permit the state to intervene at a later date upon a showing by the state of good cause for the proposed intervention.

Provide that, whether or not the state participates in an action, upon a showing in camera by the Attorney General that discovery by the person bringing the action would interfere with the state's ongoing investigation or prosecution of a criminal or civil matter arising out of the same facts as the facts upon which the action is based, the court may stay such discovery in whole or in part for a period of not more than 60 days. Provide that the court may extend the period of any such stay upon a further showing in camera by the Attorney General that the state has pursued the criminal or civil investigation of the matter with reasonable diligence and the proposed discovery in the action will interfere with the ongoing criminal or civil investigation or prosecution.

Alternate Remedy. Provide that the Attorney General may pursue a claim relating to an alleged violation through an alternate remedy available to the state or any state agency, including an administrative proceeding to assess a civil forfeiture. If the Attorney General elects any such alternate remedy, the Attorney General must serve timely notice of his or her election upon the person bringing the action, and that person has the same rights in the alternate venue as the person would have otherwise had. Provide that any finding of fact or conclusion of law made by a court or by a state agency in the alternate venue that has become final is conclusive upon all parties named in an action. For these purposes, a finding or conclusion would be final if it has been finally determined on appeal, if all time for filing an appeal or petition for review with respect to the finding or conclusion has expired, or if the finding or conclusion is not subject to judicial review.

Payment to Claimants. Provide that if the state proceeds with an action brought by a person or the state pursues an alternate remedy described above, the person who brings the action would receive at least 15 percent but not more than 25 percent of the proceeds of the action or settlement of the claim, depending upon the extent to which the person contributed to the prosecution of the action or claim.

Provide that, if an action or claim is one that the court or other adjudicator finds to be based primarily upon disclosures of specific information not provided by the person who brings the action or claim relating to: (a) allegations or transactions specifically disclosed in a criminal, civil,

or administrative hearing; (b) legislative or administrative report, hearing, audit, or investigation; or (c) report made by the news media, the court or other adjudicator may award an amount to the person as it considers appropriate, but not more than 10 percent of the proceeds of the action or settlement of the claim, depending upon the significance of the information and the role of the person bringing the action in advancing the prosecution of the action or claim.

Provide that, in addition to any amount received under the person bringing an action described above, the person must be awarded his or her reasonable expenses necessarily incurred in bringing the action together with the person's costs and reasonable actual attorney fees. Require the court or other adjudicator to assess any such award against the defendant.

Provide that, if the state does not proceed with an action or an alternate proceeding, the person bringing the action must receive an amount that the court decides is reasonable for collection of the civil penalty and damages. Specify that the amount must be not less than 25 percent and not more than 30 percent of the proceeds of the action and must be paid from the proceeds. In addition, the person must be paid his or her expenses, costs, and fees described in the bill.

Provide that, whether or not the state proceeds with an action or an alternate proceeding, if the court or other adjudicator finds that an action was brought by a person who planned or initiated the violation upon which the action or proceeding is based, then the court may, to the extent that the court considers appropriate, reduce the share of the proceeds of the action that the person would otherwise receive, taking into account the role of that person in advancing the prosecution of the action or claim and any other relevant circumstance pertaining to the violation, except that if the person bringing the action is convicted of criminal conduct arising from his or her role in a violation, the court or other adjudicator must dismiss the person as a party and the person shall not receive any share of the proceeds of the action or claim or any expenses, costs, or fees.

Create a continuing program revenue appropriation in the Department of Justice to transfer any monies owed to a "relator" (the individual bringing a *que tam* claim).

Court Dismissal of Duplicative Allegations. Provide that, except if the action is brought by the Attorney General or the person bringing the action is an original source of the information, the court must dismiss an action or claim, unless opposed by the state, if substantially the same allegations or transactions as alleged in the action or claim were publicly disclosed in any of the following ways: (a) in a federal criminal, civil, or administrative hearing in which the state or its agent is a party; (b) in a congressional, government accountability office, or other federal report, hearing, audit, or investigation; or (c) from the news media.

State Immunity from Liability. Provide that the state is not liable for any expenses incurred by a private person in bringing an action.

Protections for Claimants. Provide that any employee, contractor, or agent who is discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of employment because of lawful actions taken by the employee, contractor, or agent or by others in furtherance of an action or claim filed or on behalf of the employee, contractor, or agent, including investigation for, initiation of, testimony for, or

assistance in an action or claim filed or to be filed, is entitled to all necessary relief to make the employee, contractor, or agent whole. Provide that such relief must in each case include reinstatement with the same seniority status that the employee, contractor, or agent would have had but for the discrimination, two times the amount of back pay, interest on the back pay at the legal rate, and compensation for any special damages sustained as a result of the discrimination, including costs and reasonable attorney fees. Specify that an employee, contractor, or agent may bring an action to obtain the relief to which the employee, contractor, or agent is entitled under these provisions within three years after the date the retaliation occurred.

Other Provisions. Provide that a civil action may be brought under these provisions based on acts occurring prior to the bill's general effective date if the action is brought within ten years after the cause of the action or claim accrues. Provide that a judgment of guilty entered against a defendant in a criminal action in which the defendant is charged with fraud or making false statements stops the defendant from denying the essential elements of the offense in any action under that involves the same elements as in the criminal action. Specify that the remedies provided for under this section are in addition to any other remedies provided for under any other law or available under the common law. Provide that these provisions must be liberally construed and applied to promote the public interest and to effect the congressional intent in enacting 31 USC 3729 to 3733, as reflected in the federal False Claims Act and the legislative history of the act.

*Definition*s. For these purposes, create the following definitions.

"Claim" means any request or demand, whether under a contract or otherwise, for money or property, whether the state has title to the money or property, that is any of the following: (a) presented to an officer, employee, agent, or other representative of the state; or (b).made to a contractor, grantee, or other person if the money or property is to be spent or used on the state's behalf or to advance a state program or interest and if the state provides any portion of the money or property that is requested or demanded or will reimburse directly or indirectly the contractor, grantee, or other person for any portion of the money or property that is requested or demanded. "Claim" includes a request or demand for services from a state agency or as part of a state program, but does not include requests or demands for money or property that the state has paid to an individual as compensation for state employment or as an income subsidy with no restriction on that individual's use of the money or property.

"Knowingly" means, with respect to information, having actual knowledge of the information, acting in deliberate ignorance of the truth or falsity of the information, or acting in reckless disregard of the truth or falsity of the information. "Knowingly" does not mean specifically intending to defraud.

"Material" means having a natural tendency to influence, or be capable of influencing, the payment or receipt of money or property or the receipt of services.

"Medical assistance" is defined through a cross reference to state statutes.

"Obligation" is defined through a cross reference to federal statutes.

"Original source" is defined through a cross reference to federal statutes.

"Proceeds" includes damages, civil penalties, surcharges, payments for costs of compliance, and any other economic benefit realized by this state as a result of an action or settlement of a claim.

[Bill Sections: 460, 569, 1126, 2333, 3186, 3189, 3190, 3192 thru 3194, and 3230]

Departmentwide

1. STANDARD BUDGET ADJUSTMENTS

	Funding	Positions
GPR	$2,644,800	0.00
FED	18,616,700	- 139.00
PR	11,445,900	0.00
SEG	16,000	0.00
Total	$32,723,400	- 139.00

Governor: Provide $20,660,900 ($1,320,600 GPR, $13,613,000 FED, $5,719,300 PR, and $8,000 SEG) in 2023-24 and $12,062,500 ($1,324,200 GPR, $5,003,700 FED, $5,726,600 PR and $8,000 SEG) and a reduction of 139.00 FED positions in 2024-25 to reflect the net effect of the following standard budget adjustments: (a) turnover (-$4,058,800 GPR, -$2,115,000 FED, and -$3,065,300 PR annually); (b) removal of noncontinuing elements from the base (-$10,683,300 FED in 2023-24 and -$19,352,100 FED and -139.0 FED positions in 2024-25); (c) full funding of continuing positions (-$5,714,200 GPR, $25,968,400 FED, -$4,069,800 PR, and $1,800 SEG annually); (d) overtime ($9,396,800 GPR and $10,434,700 PR annually); (e) night and weekend differential pay ($2,281,500 GPR, $101,100 FED, and $2,256,100 PR annually); and (f) full funding of lease and directed moves costs (-$584,700 GPR, $341,800 FED, $163,600 PR, and $6,200 SEG in 2023-24 and -$581,100 GPR, $401,300 FED, $170,900 PR, and $6,200 SEG in 2024-25).

2. STATE OPERATIONS -- SUPPLIES AND SERVICES

GPR	$4,108,800
SEG	3,200
Total	$4,112,000

Governor: Provide $2,056,000 ($2,054,400 GPR and $1,600 SEG) annually to fund increased costs of supplies and services for several state operations programs and facilities, as shown in the following table.

Program	Annual Amount GPR	SEG	Total
Public Health	$109,800	$1,600	$111,400
Care and Treatment Facilities			
Mendota Mental Health Institute	1,200,800		1,200,800
Winnebago Mental Health Institute	187,700		187,700
Sand Ridge Secure Treatment Center	220,100		220,100
Wisconsin Resource Center	244,600		244,600
Central Center	1,800		1,800
Northern Center	1,400		1,400
Southern Center	2,100		2,100
Centralized Services	4,000		4,000
Care and Treatment Services	33,700		33,700
Quality Assurance	48,400		48,400
Total	$2,054,400	$1,600	$2,056,000

According to the Administration, the amounts represent a 5% increase to supplies and services funding for certain annual GPR and SEG state operations appropriations. The proposed increases would be provided to appropriations that meet the following criteria: (a) in 2021-22, the agency expended 95% or more of the amount budgeted for supplies and services; and (b) for the 2023-25 biennium, no other additional supplies and services funding is being proposed for a similar purpose.

3. TRANSLATE WEBSITE AND FORMS INTO MULTIPLE LANGUAGES

GPR	$1,194,400
FED	634,400
Total	$1,828,800

Governor: Provide $851,900 ($556,400 GPR and $295,500 FED) in 2023-24 and $976,900 ($638,000 GPR and $338,900 FED) in 2024-25 to translate the Department's website and forms into multiple languages.

Currently, the Department's website is only available in English. However, the Department is using one-time federal funds to translate the website into Spanish. The Administration indicates that funding ($625,000 all funds in 2023-24 and $750,000 all funds in 2024-25) in the bill would be used to translate the website into Hmong and one other language. Additionally, the Department is currently translating its 13,400 active forms and publications into other languages. Funding in the bill ($226,900 all funds, annually) would double the funding available to pay the contractor to translate additional forms.

4. AGENCY EQUITY OFFICER

	Funding	Positions
GPR	$170,900	1.00

Governor: Provide $74,800 in 2023-24 and $96,100 in 2024-25 to fund 1.0 agency equity officer in the Office of the

Secretary, beginning in 2023-24. The position would collaborate with the Chief Equity Officer in the Department of Administration and equity officers in other agencies to identify opportunities to advance equity in government operations, including determining how current government practices and policies affect communities of color and individuals with disabilities. [See "Administration -- General Agency Provisions."]

5. FEDERAL REVENUE REESTIMATES

FED	$120,631,000

Governor: Provide $60,315,500 annually to reflect the net effect of funding adjustments to certain appropriations funded from federal revenue.

The following table shows the base funding amount for each appropriation, the funding change under this item, the net funding changes to these appropriations under other items in the bill, and the total amount that would be budgeted for these appropriations in the bill.

Federal Revenue Reestimates

		2023-24			2024-25		
	Base	Reestimate	Other Items	Total	Reestimate	Other Items	Total
Public Health							
MA State Administration	$2,127,600	$6,600,200	-$51,300	$8,676,500	$6,600,200	-$51,300	$8,676,500
Federal Program Operations -- Aging	1,463,000	41,800	49,300	1,554,100	41,800	49,300	1,554,100
Prev. Health Block Grant -- Aids	907,200	86,800	0	994,000	86,800	0	994,000
MCH Block Grant -- Aids	7,000,000	450,000	0	7,450,000	450,000	0	7,450,000
Programs for the Elderly	29,934,900	6,282,300	0	36,217,200	6,282,300	0	36,217,200
						0	
Care and Treatment Services						0	
Federal Project Aids	15,886,400	403,300	0	16,289,700	403,300	0	16,289,700
Substance Abuse Block Grant Aid to Counties	9,756,800	19,644,000	0	29,400,800	19,644,000	0	29,400,800
Federal Block Grants -- Local Assistance	7,185,200	23,688,000	0	30,873,200	23,688,000	0	30,873,200
Substance Abuse Block Grant -- Operations	2,532,900	1,161,100	496,300	4,190,300	1,161,100	487,800	4,181,800
Community Mental Health Block Grant -- Operations	1,384,900	1,625,900	240,900	3,251,700	1,625,900	218,200	3,229,000
Community Mental Health Block Grant -- Local Assistance	2,513,400	200	0	2,513,600	200	0	2,513,600
Disability and Elder Services							
Social Services Block Grant -- Local Assistance	21,106,800	48,400	0	21,155,200	48,400	0	21,155,200
General Administration							
Federal WIC Program Operations	746,900	133,500	5,600	886,000	133,500	5,600	886,000
Office of the Inspector General -- Local Assistance	1,350,000	150,000	375,000	1,875,000	150,000	375,000	1,875,000
Total		**$60,315,500**			**$60,315,500**		

6. PROGRAM REVENUE REESTIMATES

PR	$62,314,900

Governor: Provide $31,115,500 in 2023-24 and $31,199,400 in 2024-25 to reflect the net effect of funding adjustments to certain appropriations funded from program revenue.

The following table shows the base funding amount for each appropriation, the funding change under this item, the net funding changes to these appropriations under other items in the

bill, and the total amount that would be budgeted for these appropriations in the bill.

Program Revenue Funding Reestimates

		2023-24			2024-25		
	Base	Reestimate	Other Items	Total	Reestimate	Other Items	Total
Public Health							
Fees for Administrative Services	$112,500	$6,000	$0	$118,500	$6,000	$0	$118,500
Interagency and Intra-Agency Aids	5,466,500	2,922,500	-13,000	8,376,000	2,922,500	-13,000	8,376,000
Mental Health and Developmental Disabilities Facilities							
Repair and Maintenance	965,100	246,500	0	1,211,600	246,500	0	1,211,600
State Centers Operations	135,770,600	4,949,100	28,909,500	169,629,200	4,949,100	31,304,700	172,024,400
Medicaid Services							
Interagency and Intra-Agency Aids	23,192,000	4,808,000	3,758,700	31,758,700	4,808,000	2,500,500	30,500,500
Care and Treatment Services							
Gifts and Grants	94,300	98,300	0	192,600	98,300	0	192,600
Quality Assurance							
Licensing and Support Services	3,336,000	801,200	-695,100	3,442,100	885,100	-695,100	3,526,000
General Administration							
Bureau of Information Technology Services	19,951,700	17,283,900	-367,200	36,868,400	17,283,900	-367,200	36,868,400
Total		**$31,115,500**			**$31,199,400**		

7. ADMINISTRATIVE TRANSFERS

	Funding	Positions
FED	$386,000	1.50
PR	- 386,000	- 1.50
Total	$0	0.00

Governor: Reduce PR funding by $193,000 annually and increase FED funding by corresponding amounts, and convert 1.50 PR positions to FED positions, beginning in 2023-24, to reflect the net effect of position transfers that occurred within the Department in the 2021-23 biennium. These transfers are intended to more accurately align base staff costs with funding sources that reflect the positions' current responsibilities.