

2023-25 Governor's Executive Budget Summary

Governor Evers released his 2023-2025 State Executive Budget proposal on Feb. 15, 2023. The Governor's Executive Budget (723 pgs.) can be viewed [here](#) and the complete budget bill (SB 70) can be found [here](#) (1815 pgs.).

The Governor's Executive Budget proposal was submitted to the Wisconsin State Legislature and referred to the Legislature's Joint Finance Committee (JFC). The JFC can remove, add, or modify any of the items in the proposed budget. In fact, the legislature has already signaled its intent to discard the Governor's budget and build its own. This means any items in the Governor's budget and/or any priorities of the Wisconsin Aging Advocacy Network (WAAN) we want to see in the final budget will need to be added into the legislature's budget.

The non-partisan Legislative Fiscal Bureau (LFB) will compile a plain-language summary of the Governor's budget recommendations within the next few weeks. The JFC will then begin holding briefings with state agencies and then public hearings (usually in April) to hear from state residents. The next step in the process is for the Committee to hold briefings with state agency secretaries and then public hearings throughout the state (likely in April).

The goal is to pass the 2023-2025 budget by the end of the current state budget year which ends on June 30, 2023. Sometimes this goal is met and sometimes not. Unlike the federal government, not passing the new biennial budget will not result in a shutdown of governmental services. If the 2023-2025 budget is not passed by June 30, the state will continue operating at the prior biennium's funding levels.

Key:

- **GPR** – General Purpose revenue (money raised by the state mainly through taxes).
- **PR** - Program Revenues
- **SEG** - Segregated transportation fund that pays for infrastructure such as highways and bridges using revenues from gas taxes, fees for vehicle registration and driver's licenses, federal aid, and bonds.

Items in the Governor's budget that impact older adults and caregivers:

Adult Protective Services (APS)/Elder Abuse/Guardian Support and Training (Health Services Budget)

- **Increase funding for APS training, needs assessments for tribal APS, guardian support and elder justice training grants, and other APS enhancements** - \$4,138,300 GPR/yr. 1 and \$9,499,200 GPR/yr. 2.
- **Maintain ongoing funding to manage training modules for guardians** - \$63,500 GPR in each year of the budget.
- **Create a program to promote the protection of elders and support the statewide elder abuse hotline** - \$250,000 GPR/yr. 2. (Justice Budget)

Aging and Disability Resource Centers (ADRCs) - \$16.9 million over the biennium (Health Services Budget)

- **Increase base funding** by \$2.5 million GPR/year 1 and \$5 million GPR/year 2 to increase base allocations to ADRCs.
- **Provide a 0.5 FTE position to provide caregiver support services in every county** - \$3.1 million GPR/yr. 1 and \$6.3 million GPR/yr. 2.
- **Support the ongoing costs of the tribal Aging and Disability Resource Specialists (ADRS)** - \$1.7 million GPR in yr. 2 (see Home and Community Based [HCBS] section below).
- **Build a centralized ADRC website and database** providing Wisconsinites access to information about long-term care supports and services from the comfort of their home – \$1.1 million GPR in yr. 2 (see HCBS section below).

Alzheimer's/Dementia Supports (Health Services Budget)

- **Increase the Alzheimer's Family and Caregiver Support Program (AFCSP) funding** by \$1 million GPR over the biennium (\$500,000/\$500,000) and increase the income eligibility threshold from \$48,000 to \$60,000 annually.
- **Increase funding for the Alzheimer's disease grant** - \$100,000 GPR in each year of the budget.

BadgerCare Expansion/Medicaid/Dental (Health Services Budget)

- **Accept the federal ACA provision for Medicaid expansion** to provide coverage to 89,700 state residents - covering all low- income Wisconsin residents, of which 30,300 are uninsured and reduce health care costs by over \$1.6 billion GPR.
- **Expand Medicaid benefits to include services provided by Community Health Workers** who serve as a liaison between health and social services and the community to facilitate access to services improve the quality and cultural competence of service delivery.
- **Create a new license for dental therapists** to increase the number of dental providers and dental services provided across the state.
- **Funding for a grant to support community dental health coordinators across the state** - \$300,000 GPR/yr. 1 and \$600,000 GPR/yr. 2.

- **Funding for a Medicaid Community Health Benefit** to provide nonmedical services (housing referrals, nutritional monitoring, stress management and other services) to Medicaid recipients - \$500,000 GPR yr. 1 and \$8,679,300 GPR yr. 2.

Behavioral Health/Mental Health (Health Services Budget)

Note: The Governor declared 2023 as the year of mental health

- **Funding and position authority to support the Development of up to two crisis urgent care and observation centers** - \$64,700 GPR/yr. 1 and \$10,038,500 GPR/yr. 2.
- **Funding to create a suicide prevention program** - \$500,000 GPR in each year of the budget.
- **Funding to support the in-state 988 Suicide and Crisis Lifeline Call Centers** - \$898,700 GPR/yr. 1 and \$2,105,700 GPR/yr. 2.
- **Funding to establish a behavioral health treatment program for individuals who are deaf, hard of hearing, or deaf-blind** \$1,936,000 GPR/year 2.
- **Funding to cover the nonfederal share of the Medicaid Community Support Program which is currently funded by counties** - \$19,239,100 GPR yr. 1 and \$21,516,500 GPR yr. 2.

Board on Aging and Long-Term Care (Board on Aging & LTC Budget)

- **3.0 FTE positions to enhance administrative support and program capacity** to meet increasing demand for services. This proposal eliminates the shared executive director/state ombudsman position and **authorizes a separate full-time State Long-term Care Ombudsman position, putting Wisconsin in compliance with federal regulations** - \$89,000 GPR/yr. 1 and \$113,600 GPR/yr. 2.

Broadband (High-Speed Internet) (Public Service Commission Budget)

- **Broadband Expansion Funding** - one-time investment of funding \$750 million GPR in yr. 1 for the broadband expansion grant program with the requirement that the commission spend at least \$75 million annually.
- **Broadband Line Extension Grant Program funding** to provide grants or financial assistance to eligible households to subsidize the cost of a line extension from existing broadband infrastructure to a residence.
- **Digital Equity Expansion** - modifies current law to provide the commission with additional flexibility to reallocate state universal service funds for digital equity expansion initiatives.
- **Funding and position authority and modifying current law to protect broadband** customers by requiring broadband service providers to meet certain service requirements, including prohibiting a broadband service provider from denying service to residential customers on the basis of race or income – \$72,300 PR/yr. 1 and \$93,000 PR/yr. 2. (Agriculture, Trade, and Consumer Protections [DATCP] Budget)

Family Caregiver Support (Health Services Budget)

- **Create a Caregiver Tax Credit** - an individual non-refundable income tax caregiver credit. The credit is equal to 50% of qualified expenses in the taxable year and is limited to \$500 for most filers. The credit is subject to income limits that phase out the credit between \$75,000 and \$85,000 in income for single/head of household filers and \$150,000 and \$170,000 in income for married-joint filers – est. decrease in tax revenue of \$96.7 million/yr. 1 and \$98.3 million/yr. 2. (Revenue Budget)

- **Increase AFCSP funding and increase the income eligibility threshold** (see Alzheimer’s/Dementia Supports above).
- **Provide additional funding for the existing Respite Care grant** - \$200,000 GPR in each year of the budget.
- **Create a state Paid Family and Medical Leave program** that provides 12 weeks of benefits for qualified employed and self-employed individuals and **provide position and expenditure authority to implement and administer the program and pay benefits to qualified individuals** - \$65,767,800/yr. 1 and \$177,645,600/yr. 2. \$65,767,800/yr. 1 and \$177,645,600/yr. 2. (Workforce Development Budget)
- **Expand the current state Family and Medical Leave laws** to extend leave to care for a grandparent, grandchild, or sibling (and others included in the current law) with a serious health condition and expands the definition of “serious health condition” to include medical quarantine (for the individual or a caregiver). Additionally, the expansion extends leave to include deployment of a spouse or child and unforeseen or unexpected closure of a school or child care facility and lowers the threshold of hours an employee has to work to qualify for leave from 1,000 hours to 680 hours. (Workforce Development Budget)
- **Funding to support Kinship Care:** This includes cost-to-continue funding as well as increased funding for age-based rates, consistent with the proposed increase for foster care rates. Also included is a funding increase related to the expansion of the definition of relative for program eligibility purposes, as well as an increase for the clothing exceptional rate and sibling exceptional rates - \$43,574,100 GPR/yr. 1 and \$53,719,500 GPR/yr. 2. (Children and Families Budget)

Healthy Aging Grants (Health Services Budget)

- **Creation of a grant for entities providing healthy aging programs** - \$600,000 GPR in each year of the budget.

Home and Community-Based Services (HCBS) – Direct Care Workforce Support (Health Services Budget)

- **Funding to continue the 5% rate increase provided to HCBS under the American Rescue Plan Act** - \$15,405,600 GPR/yr. 1 and \$65,570,900 GPR/yr. 2.
- **Funding to increase the direct care and services portion of the Family Care capitation rates** in recognition of the direct care workforce challenges facing the state - \$15 million GPR in each year of the budget.
- **Funding to increase support for direct care staff providing personal care services** - \$15 million GPR in each year of the budget.
- **Enhance HCBS in long-term care** (\$24,845,500 GPR in yr. 2) to:
 - fund the development of a minimum fee schedule for HCBS,
 - sustain the Wisconsin Personal Caregiver Workforce Careers Program,
 - provide ongoing funding for the WisCaregiver Career IT platform,
 - provide grants to the 11 federally recognized Native American Tribes to make improvements to tribal community facilities and tribal member housing,
 - support the ongoing costs of the tribal Aging and Disability Resource Specialists (ADRS),
 - build a centralized ADRC website and database providing Wisconsinites access to information about long-term care supports and services from the comfort of their home,

- support continued licensure and maintenance of a system to coordinate certification status work between the department and managed care organizations (MCOs), and
- support licensure and maintenance of a system devised as a technical solution to allow streamlined data enter, review and report generation to comply with a federal rule requiring states to define the quality of settings eligible for Medicaid home- and community-based services.
- **Create a state Paid Family and Medical Leave program** that provides 12 weeks of benefits for qualified employed and self-employed individuals and **provide position and expenditure authority to implement and administer the program and pay benefits to qualified individuals** - \$65,767,800 GPR/yr. 1 and \$177,645,600 GPR/yr. 2. (Workforce Development Budget). Note: There is also a recommendation to establish a paid family and medical leave program for state employees (Administration Budget).
- **Expand the current state Family and Medical Leave laws** to extend leave to care for a grandparent, grandchild, or sibling (and others included in the current law) with a serious health condition and expands the definition of “serious health condition” to include medical quarantine (for the individual or a caregiver). Additionally, the expansion extends leave to include deployment of a spouse or child and unforeseen or unexpected closure of a school or child care facility and lowers the threshold of hours an employee has to work to qualify for leave from 1,000 hours to 680 hours. (Workforce Development Budget)
- **Direct Child Care Services funding to support the Wisconsin Shares child care subsidy program.** This includes an increase of funding for the conversion to part-time/full-time authorizations when calculating a family's subsidy instead of a calculation that is based on hours, to align with federal requirements and continued funding to support quality and affordable child care in economically disadvantaged areas within the city of Milwaukee. **Also included is additional funding for an income disregard of \$10,000 for direct care workers when applying for and calculating Shares benefits** and increased funding to support recruitment and retention of child care providers in tribal areas - \$385,628,800 GPR/yr. 1 and \$403,573,700 GPR/yr. 2. (Children and Families Budget)

Housing (Administration Budget)

- **Funding a Municipal Home Rehabilitation Grant Program** for municipalities to rehabilitate and restore blighted residential properties to increase affordable housing options within the municipality - \$100,000 GPR in each year of the budget.
- **Create a Whole-Home Upgrades Pilot Grant Program** to provide funding for whole-home upgrades within a Milwaukee neighborhood to reduce energy burdens and create a healthier living environment for households with low income - \$7,250,000 GPR/yr. 1.
- **Create a Housing Safety Grant Pilot Program** to award grant funding to the city of Milwaukee for activities supporting the improvement of rental housing safety - \$5 million GPR/yr. 1.
- **Expand renter protections by modifying current law related to preemption of a local unit of government’s ability to enact ordinances regarding landlord-tenant responsibilities, inspections, and eviction processes and procedures.**
- **Increase funding for Homelessness Prevention programs and positions to staff the new programs** - \$11,429,900 GPR/yr. 1 and \$11,473,200 GPR/yr. 2.
- **Beginning in tax year 2023, increase the maximum income threshold for the Homestead Tax Credit to \$35,000 and index the parameters of the homestead tax credit for inflation – est.**

decrease in tax revenue of approximately \$100 million over the biennium. (Revenue Budget and Shared Revenue and Tax Relief Budget)

- **Increase the State Housing Tax Credit from \$42 million to \$100 million** to help address the need for affordable housing **and increase the credit period from six taxable years to ten** - \$100 million GPR yr. 1. (Housing and Economic Development Authority [WHEDA] Budget)

Insurance/Prescription Drug (Office of the Commissioner of Insurance [OCI])

- **Establish a state-based health insurance marketplace** under the federal Affordable Care Act by first moving to a state-based marketplace on the federal platform by plan year 2025, while transitioning to a fully state-based marketplace by plan year 2026 and provide funding and position authority to implement this initiative - \$982,400 GPR/yr. 1 and \$1,264,900 GPR/yr. 2.
- **Establish a Prescription Drug Affordability Review Board** to observe practices in the pharmaceutical industry, analyze other state and national prescription drug practices and policies, establish public sector entity spending limits, and set price ceilings on certain prescription drugs, when necessary, in order to track and limit unnecessary and predatory increases in prescription drug costs.
- **Establish an Office of Prescription Drug Affordability** to administer prescription drug regulatory provisions included in the executive budget and to further analyze and develop policy initiatives aimed at reducing prescription drug costs and increasing affordability and provide funding and position authority to support these activities - \$1,968,300 PR/yr. 1 and \$1,885,800 PR/yr. 2.
- **Implement an Insulin Copayment Cap limiting out-of-pocket costs for a one-month supply of insulin to \$35** under all health insurance plans offered in Wisconsin.
- **Establish an insulin safety net program to ensure those with an urgent need for insulin as well as those with lower incomes and limited to no insurance coverage have access to affordable insulin.** Under this provision, the office would be directed to contract directly with insulin manufacturers to ensure the availability of insulin at a reduced cost to eligible individuals.
- **Establish a Prescription Drug Importation Program for importing generic, off-brand drugs from Canada into Wisconsin** to reduce rising prices of prescription drugs and create a more competitive prescription drug market. Imported drugs must generate significant savings, have no more than three domestic competitors and maintain federal safety requirements.
- **Establish Telehealth parity provisions** to ensure patients utilizing telehealth services are not charged or have their services limited any more than if they utilized an equivalent in-person service to increase the availability and affordability of telehealth services.
- **Require OCI to establish network adequacy standards for insurer networks for all health insurance plans** offered in the state to ensure a covered service is available within a minimum time and distance of the plan holder, improving access to services. The office may also establish further standards that are found to improve access to services, such as maximum wait times for scheduling appointments.
- **Adjust expenditure authority to reflect a reestimate of the costs of the Board on Aging and Long-Term Care's Medigap Helpline** that provides seniors with information on health insurance options - \$71,800 PR/yr. 1 and \$76,900 PR/yr. 2.
- **Adjust funding to reflect a reestimate of the caseload and the costs and utilization of prescription drugs for SeniorCare** - \$375,200 GPR/yr. 1 and \$1,935,000 GPR/yr. 2.

Long-Term Care Settings (Dept. of Health Services Budget)

- **Funding to create a Complex Patient Pilot program** aimed at identifying innovative approaches to complex patient care transitions from acute care providers to long-term care settings - \$15 million GPR in yr.1.
- **Increase funding and positions in the Office of Caregiver Quality** to support misconduct investigations and the background check program - \$266,000 GPR/yr. 1 and \$326,700 GPR/yr. 2.
- **Increase funding and positions in the Bureau of Assisted Living** to manage the survey workload and backlog, and the increasing number of complaints being investigated - \$1,114,500 GPR/yr. 1 and \$1,420,500 GPR/yr. 2
- **Increase funding and positions to the Nursing Home Grant Program Administration** to administer the civil money penalty reinvestment program, which returns a portion of the penalty revenue to states to be reinvested in support activities benefitting nursing home residents - \$70,000 GPR/yr. 1 and \$86,900 GPR/yr. 2.
- **Increase funding for the WisCaregiver Careers program** which addresses the shortage of certified nursing assistants (CNAs) by supporting recruitment, training, and retention of individuals to care for nursing home residents across the state - \$8 million GPR/yr. 2.
- **Provide supplemental funding to support assisted living facilities (ALFs) for outpatient mental health facilities** in lieu of increasing rates for these providers - \$750,000 GPR in each year of the budget.

Office for the Promotion of Independent Living Programs (Health Services Budget)

- **Funding and position authority to support the Office for the Blind and Visually Impair, the Telecommunications Assistance Program, interpretation services and grants to independent living centers** - \$833,000 GPR/yr. 1 and \$850,600 GPR/yr. 2.

Transportation (Transportation Budget)

- **Increase general Mass Transit Aids by 4% in each year of the budget** - \$1,129,600 SEG funds/yr. 1 and \$5,693,000 SEG/yr. 2.
- **Increase Paratransit Aids by 4% in each year of the budget** - \$127,200 SEG/yr. 1 and \$259,500 SEG/yr. 2.
- **Create a Transit Capital Assistance Grant Program** - \$10 million SEG funding in each year of the biennium.
- **Allow local government to collaborate to create and fund cross-jurisdiction transit corridors** (Regional Transit Authorities).
- **Increase funding for Specialized Transit Assistance Program (s. 85.22)** by \$143,900 SEG funds/yr. 1 and \$309,300 SEG/yr. 2.
- **Increase funding in each year of the budget to fund coordination of services for non-drivers** - \$543,900 SEG/yr. 1 and \$309,300 SEG/yr. 2.
- **Restore roadway design considerations in state law that support non-motorist infrastructure (Complete Streets) to help local communities safely integrate all modes of transportation.**
- **Increase Division of Motor Vehicles Access with Expanded Hours of Operation** to allow expanded hours of operation at the Division of Motor Vehicles' physical locations - \$1.2 million SEG in each year of the budget.

Voting/Elections (Elections Commission)

- **Create an Office of Election Transparency and Compliance** to provide research and assistance to the Commission, including responding to inquiries from the public and legislators and audits of election systems and equipment, including with respect to accessibility requirements for individuals with disabilities - \$902,000 GPR/yr. 1 and \$1,036,000 GPR/yr. 2.
- **Funding to implement Automatic Voter Registration** – \$349,000 SEG and \$156,100 GPR/yr. 1 and \$16,600 GPR/year 2. Recommends the Wis. Elections Commission to work with the Department of Transportation to begin automatic voter registration and that the Commission facilitate the initial registration of all eligible electors as soon as practicable. (Transportation Budget/Elections Commission Budget)
- **Expand voting access by eliminating the restriction on how soon a person may complete an absentee ballot in person.**
- **Require polling places to post a Voter Bill of Rights** which informs voters of voting rights guaranteed under current law.

Other Proposals of Interest

- **Allocate funds to the Wisconsin Trust Account Foundation, Inc. to provide grants for Civil Legal Services to Indigent Persons.** Civil legal services may address eviction, unemployment compensation, consumer law, domestic violence, and health insurance matters - \$30 million GPR in each year of the budget. (Administration Budget)
- **Increase the amount of retirement income that may be claimed under the current tax law exemption to \$5,500** and increase the income thresholds to \$30,000 for single filers and \$60,000 for married-joint filers. Currently, individuals aged 65 and older who receive income from a qualified retirement plan or an individual retirement account (IRA) may subtract up to \$5,000 of such retirement benefits when computing their Wisconsin income tax and income thresholds are \$15,000 and \$30,000 respectively) - est. decrease in tax revenue of \$8.1 million annually beginning in yr. 1. (Revenue Budget)
- **Increase the amount of disability income subtraction to \$5,500 for a single filer and \$11,000 for a married couple** (if both spouses are eligible) and increase the income thresholds to \$30,000 for single filers and \$60,000 for married-joint filers – est. decrease in tax revenue of \$260,000 annually beginning in yr. 1. (Revenue Budget)

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