Gov. Evers Releases $83 Billion Budget Bill, Includes Medicaid Expansion

WHA CEO Eric Borgerding: “Improving reimbursement and expanding access are bipartisan issues”

Beginning the long and, likely winding, road to enact a biennial state budget, Governor Tony Evers delivered his first budget address to a joint session of the Legislature February 28. Evers’ budget proposal is a $83.4 billion spending plan along with several key policy changes, including an expansion of Medicaid to 82,000 people in Wisconsin, roughly half of whom are uninsured and half that will come off commercial coverage, including heavily subsidized individual health plan coverage in the exchange.

Evers’ full expansion proposal would make Wisconsin eligible for enhanced federal funding to cover some newly eligible individuals and 140,000 childless adults already covered on Medicaid below the poverty line. According to Evers’ budget, this move provides an estimated $320 million in savings to state coffers, offsetting state Medicaid costs through new federal revenue. The Evers budget assumes Medicaid expansion July 1, 2019, less than four months from now.

(continued on page 3)

AHA Outlines Guiding Principles for Surprise Billing Policy

Emphasis on protecting the patient, ensuring patient access, and greater health plan transparency

On February 20, a coalition of hospitals led by the American Hospital Association (AHA) released an outline of guiding principles to inform policymakers as they craft legislation to protect patients from “surprise billing.”

In addition to defining surprise billing scenarios where patient protections should be considered, the letter to key congressional leaders highlighted the following principles:

- **Protect the Patient.** Any public policy solution should protect patients and remove them from payment negotiations between insurers and providers.
- **Ensure Patients Have Access to Emergency Care.** Any public policy solution should ensure that patients have access to and coverage of emergency care.
- **Preserve the Role of Private Negotiation.** Any public policy solution should ensure providers are able to negotiate appropriate payment rates with health plans.
- **Educate Patients.** Any public policy solution should include an educational component to help patients understand the scope of their health care coverage and how to access their benefits.

(continued on page 2)
• **Ensure Adequate Provider Networks and Greater Health Plan Transparency.** Any public policy solution should include greater oversight of health plan provider networks and the role health plans play in helping patients access in-network care.

• **Support State Laws That Work.** Any public policy solution should consider the interaction between federal and state laws.

WHA staff are currently developing a 2019 strategy for WHA’s Transparency Taskforce to solicit member feedback on state-level policy guidance.

If you have any questions, contact WHA’s Vice President of Public Policy Lisa Ellinger or Director of State and Federal Relations Jon Hoelter.

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**Six Reasons to Attend WHA’s Advocacy Day**

Physicians can have an impact but we have to show up!

Advocacy Day is right around the corner, just six weeks away. If you haven’t signed-up yet, go to our website and register now. If you are still on the fence, or have not attended in the past, here are the Top Six Reasons to Attend WHA’s Advocacy Day:

6. **Field trip to Madison.** Work in the office or at the hospital is important, but sometimes the work you do outside the office, in the field is the most impactful. Spend Advocacy Day in Madison and support the good work you do every day.

5. **Free lunch—and Cupcakes!** There is no cost to attend Advocacy Day; we kindly ask that attendees pre-register for space and food planning. We not only feed you lunch, but morning refreshments are also provided compliments of The Boldt Company. Lunch dessert is cupcakes, and one of the most memorable parts of Advocacy Day—seriously. Thanks to Quarles & Brady for keeping this tradition alive.

4. **Network with others from around the state who work or volunteer in health care.** We are joined by more 1,000 health care advocates representing all areas of health care delivery:
   - Hospital executives
   - Physician leaders
   - Nurse leaders
   - Health care financial managers
   - Community benefit professionals
   - IT professionals, HR professionals
   - PR and marketing professionals
   - Volunteers
   - Trustees--the list goes on

3. **Listen to dynamic speakers.** We are honored to have a number of great speakers join us for Advocacy Day, including former Governor Tommy G. Thompson, current Governor Tony Evers, and a state legislative panel (to be announced soon!). The decisions made at the Capitol regarding health care have significant impact on our communities, and as someone who works in health care, it’s important to be informed about the issues currently facing our elected officials.

2. **Learn about important health care policy impacting your hospital, then visit the State Capitol and meet with your Legislator.** Wisconsin’s Capitol is one of the country’s most beautiful and this is your opportunity to take a walk through its halls as you visit your home legislator. Don’t worry, WHA staff takes care of the scheduling and directions. Hall Render takes care of the transportation—door to door bus transportation is provided.

1. **Join the team, HEAT, and support high-quality, accessible, and affordable health care in Wisconsin.** You can be a part of an important movement and an effective team. The Hospitals Education Advocacy Team (HEAT) is WHA’s statewide network connecting health care and government. Advocacy Day is HEAT’s showcase. Whether you are officially a member or not, participating in this powerful event makes you part of the team! Start getting the updates now—sign-up for HEAT today!
In its budget-in-brief document, the Administration says, “the Governor recommends that the $300+ million in state savings saved in the 2019-21 biennium through Medicaid expansion be reinvested back to the providers and institutions serving Medicaid recipients.”

Over the last four months, the Wisconsin Hospital Association has been calling on lawmakers to use any savings realized from Medicaid expansion to reinvest in health care access and offset additional Medicaid losses for hospitals resulting from an expansion of Medicaid coverage.

The Governor’s budget bill, according to the Evers Administration, includes $365 million in hospital reimbursement increases by doubling the Medicaid Disproportionate Share Hospital program, making childless adults eligible for Medicaid access payments, doubling the recently-enacted Rural Critical Care supplement and creating other supplemental payment programs. The Governor’s budget also includes various other proposals designed to improve access to care for Medicaid populations, including $69 million in behavioral health provider reimbursement increases and a designated funding pool for services provided to patients with physical or intellectual disabilities in need of dental care.

In a statement, WHA President/CEO Eric Borgerding said the Association is “pleased Governor Evers has included reimbursement increases for hospitals in his state budget bill, and is targeting areas of greatest need, such as urban and rural safety net hospitals and improving access to behavioral health services, dental care for special needs patients and primary care.”

“Improving Medicaid reimbursement and expanding access to care are bipartisan issues that WHA has worked successfully with both parties to address, and we look forward to doing so again in the coming months,” continued Borgerding.

WHA also noted the Governor’s budget includes full funding for the Wisconsin Healthcare Stability Plan, a WHA-backed, bipartisan reinsurance program enacted last year aimed at stabilizing what had been sky-rocketing health insurance premiums on Wisconsin’s individual insurance market. Wisconsin has experienced 4.2% reduction in individual health insurance premiums since the reinsurance legislation was passed into law. Overall, Wisconsin has seen a 41% reduction in the uninsured rate since 2013.

“WHA has been a strong advocate of increasing coverage for the uninsured and stabilizing and reducing premiums for the insured, and Wisconsin has effectively leveraged state and federal policy to achieve both aims,” Borgerding said in a statement. “WHA is committed to engaging Governor Evers and the Legislature to build on what Wisconsin has accomplished and work toward solutions to further stabilize the market and expand coverage.”

The budget bill now heads to the state Legislature’s Joint Finance Committee. Republican leaders in the Legislature have signaled their general opposition to Evers’ Medicaid expansion proposal.