

STATE BUDGET INCLUDES PROGRAMS FOR OLDER ADULTS

By Tom Frazier, September 15, 2017

With all the craziness going on at the federal level with the serious threats to Medicare, Medicaid, and health care in general, it has moved the state budget to the back burner, especially as it relates to programs for older people. This and the craziness at the state level over transportation, education, and, more recently, Foxconn. But, with one or two exceptions, programs for the elderly fared pretty well in the 2017-2019 state budget. Below is a summary of those programs that have been approved by both the Assembly and Senate to date:

- **Medicaid**-the budget includes a 2% increase in each year of the budget for nursing home rates, and a 2% increase each year for the Medicaid Personal Care program. Both of these increases seem woefully inadequate, especially for Personal Care where advocates requested a 15% increase.
- **Medically Needy Program**-the budget increases the eligibility level for the Medically Needy program for the elderly, blind, and disabled individuals to 100% of the Federal Poverty Level (FPL). This practically doubles the eligibility level and is something that has been advocated for many years; a major breakthrough.
- **Medical Assistance Purchase Plan (MAPP)**-this change requires that people eligible for this Medicaid program pay a \$25 per month premium that increases as income goes up. Previously, the majority of participants paid no premium, but the premiums went up exponentially once a premium was required (e.g. from \$0 to \$800). This should make the program more affordable for many low income people. This improvement is offset by more strenuous work requirements for MAPP but the impact on eligibility for seniors is unclear at this time.
- **Transportation**-the budget provides a 2% increase each year for the Seniors and Individuals with Disabilities specialized transportation (85.21) program. This is a very modest increase (\$278,300 the first year and \$562,200 the second year) given the size of the overall transportation budget. In addition, tribal transportation aids increased by \$297,000 over the two year period, a 60% increase over the current funding level for the 11 Wisconsin Tribes.
- **Homestead Tax Credit**-the Governor proposed modifications to this program limiting the eligibility for the program beginning with the 2018 tax year only to those age 62 and older, or those with spouses 62 and older, those with disabilities and those with earned income. All others would be ineligible after tax year 2017, estimated to be more than 11,000 people. Also, the credit formula would be changed to lower the amount of the credit for those under age 62 and not disabled, who have earned incomes below \$7,300. The credit formula will not change for those 62 and over or disabled. Unfortunately, the

Governor would have indexed the formula for inflation for this latter group but the Joint Finance Committee voted to remove the indexing provision. While these changes will have little impact on those 62 and over, it will result in thousands of other lower income homeowners and renters becoming ineligible after 2017.

- **Board on Aging and Long-Term Care**-the budget adds two new Ombudsman positions to provide advocacy services to those people age 60 and over in the IRIS program (I Respect, I Self-Direct). Four positions proposed by the Governor were reduced to two positions by the Committee.
- **Healthy Aging Grants**-Barring a last minute miracle, it appears that this program will receive no funding in the next budget. Last year there was \$200,000 in one-time funding that the Governor did not include in his budget proposal. Advocates for the program initially requested the Joint Finance Committee to make these funds permanent and increase the annual level to \$600,000. When this was unsuccessful, an effort was made to at least restore the \$200,000 level, but this too appears to have failed.
- **Alzheimer's Research**-the budget includes \$50,000 in each year for the U.W. Alzheimer's Disease Research Center.
- **Dementia Care Specialists**-in an almost unbelievable advocacy and lobbying effort, not only was funding for 19 existing positions maintained for 2017, but the program was expanded statewide (24 positions) in the second year of the budget. The Governor had not included any funding for these positions in his budget.

As stated earlier, the budget has passed both houses and now goes to the Governor where he can approve these funding amounts or veto them (it has just been reported that none of the aging issues listed above was vetoed by the Governor). A little bit of good news in an otherwise bleak political landscape.