

GWAAR Board Advocacy Update 6-06-25

State

State Legislation

• <u>Alzheimer's Family and Caregiver Support Program (AFCSP)</u>

Senate Bill 152/AB 176 removes income requirements for the Alzheimer's Family and Caregiver Support Program (AFCSP) to align with the federal National Family Caregiver Support Program (NFCSP). Removing income-based



eligibility requirements from AFCSP will protect \$3.5 million in annual federal NFCSP funding and ensure support remains accessible to all families. SB 152 was recommended for passage by the Senate Committee on Health in early May. The Assembly's Health, Aging and Long-Term Care Committee held a public hearing on AB 176 in mid-May and unanimously (15-0) recommended the bill for passage on June 4. The legislation is now available for scheduling for a vote by the full Assembly and Senate. There are 9 state Senators and 25 state Representatives currently signed onto this legislation as a sponsor/cosponsor; that's 34 bipartisan legislators and 26% of the state legislature!

Take Action: If you have not already done so, please view SB 152/AB 176 at:

https://docs.legis.wisconsin.gov/2025/proposals/sb152 to see if your state Senator and/or Assembly Representative are signed on as sponsors/cosponsors on the bill. If they are, please send them a message thanking them for their support of family caregivers and encourage them to ask their leadership to advance this legislation to the full Assembly or Senate, as applicable. If they are not, please contact them and ask them to protect family caregiver programs by signing on in support of SB 152/AB 176 and encouraging them to push for a full Assembly and Senate vote. Let them know how critical family caregiver support is to those you serve. For more information regarding this request see WAAN's AFCSP Action Alert from March 2025 - <u>https://gwaar.org/api/cms/viewFile/id/2008503</u>

• Assisted Living Facility Referral Agencies

AB 255 (https://docs.legis.wisconsin.gov/2025/proposals/ab255)/SB 262 – is legislation introduced last month that imposes several requirements for referral agencies related to referring individuals to an assisted living facility in exchange for a fee collected from an assisted living facility. Navigating Wisconsin's long-term care system for the consumer and\or their family member(s) can be complicated, both with coming to terms with our own or a loved one's need for assistance with daily living due to age and\or disability and with finding the right care option that is best for the individual.

As assisted living and other long-term care options have become more prevalent, other entities known as "Referral Agencies," have entered the marketplace to provide "consulting" services to help consumers and their families to find a place for their loved one to call home. Often these referral agencies advertise



this as a free service to the prospective resident or family. While the service may seem free to consumers at the time, there is a price. The fee paid by the assisted living facility under contract with a referral agency to the agency when a placement occurs, is no doubt passed along to all facility residents in their monthly cost of care expenses.

This legislation is meant to help consumers clearly understand that the assisted living providers they are being referred are only those under contract with the referral agency (and referrals aren't made for people on or eligible for Medicaid), the fees and costs of the referral service are passed down to the provider and ultimately the consumer, and that the fee referral agencies receive is determined based upon a significant percentage of the consumer's monthly charge (the more expensive the monthly cost, the larger the fee and thereby incentivizing referrals to facilities that charge more).

Under the bill, an agency that refers a prospective resident to an assisted living facility must disclose to the resident any relationship the referral agency has with the assisted living facility, any fee that the assisted living facility will pay to the referral agency, and the fact that the referral agency lists on its website only those assisted living facilities with which the referral agency has a contractual relationship. GWAAR supports the proposed legislation. See my attached testimony shared at a public hearing held on SB 262 on June 4, 2025.

State Budget 2025-2027

In April, the state's Joint Finance Committee (JFC) completed its round of public hearings on the State **Budget.** The JFC held their first executive session of the 2025-27 budget process on Thursday, May 8. In the executive session, JFC voted to remove non-fiscal policy items, as well as budgetary policy items, from the budget and return to a base budget. For a complete list of what was removed, see State Budget Motion #4 -

https://docs.legis.wisconsin.gov/misc/lfb/jfcmotions/2025/2025_05_08/000_budget_motions/motio n_4_omnibus_budget_motion. Among the over 600 items removed that JFC indicated will not be discussed during the budget process were the following aging network priorities (bolded) and other items impacting older adults and family caregivers:

- Homelessness Prevention Initiatives
- Affordable Housing and Workforce Development Grant Program
- Board on Aging and Long Term Care Ombudsman and administrative staff
- Automatic Voter Registration
- Voter Bill of Rights
- Full Medicaid expansion
- Home-delivered meals
- Health Care Provider Innovation Grants (previously ARPA funded)
- Home and Community Based Services (previously ARPA funded)
- Falls Prevention Grants
- Respite Care Grant
- Guardianship Grant
- Senior Farmers Market Nutrition Program



- Peer-Run Respite Centers
- Peer-Run Warmline Grant
- Insulin Safety Net Programs
- Insulin Copayment Cap
- Regional Transit Authorities
- Transit Capital Assistance Grants
- Family and Medical Leave Expansion
- Paid Family and Medical Leave Benefits

While some of these proposals could be revived in the budget, this has not historically happened, requiring us to shift our focus to stand-alone bills for some of our priority issues.

The JFC is now in the process of putting together the 2025-27 budget piece by piece and building off of a base budget (Budget Motion #5 -

https://docs.legis.wisconsin.gov/misc/lfb/jfcmotions/2025/2025_05_08/000_budget_motions/motio n_5_substitute_amendments_to_the_2025_27_budget_bill_) which includes only amendments related to the adjusted base for 2025-26 and 2026-27. The budget is not final until the full Assembly and Senate agree on an identical version of the budget and the Governor signs it into law (which could include items he wishes to change using his partial veto authority). The goal remains to have the 2025-27 budget signed into law by June 30, 2025. Please watch for State Budget Action Alerts as additional budget motions are introduced in the future.

For details and talking points on WAAN's budget priorities see: https://gwaar.org/api/cms/viewFile/id/2008488.

Federal

House Passes Reconciliation Bill with Major Cuts to Medicaid and SNAP

In the early hours of May 22, the U.S. House of Representatives narrowly passed their reconciliation bill - <u>H.R. 1</u>, titled the "One Big Beautiful Bill Act," by a vote of 215-214, with only Republican votes. **The final bill passed by the House makes the deepest cuts** (over the next decade) **to Medicaid** (over \$800 billion - with 11 million people projected to lose Medicaid coverage and



become uninsured) and the Supplemental Nutrition Assistance Program or SNAP (\$300 billion- nearly 30% of the total funding) in the history of both programs. Because Congress is bound by the statutory Pay-As-You-Go (PAYGO) Act which requires any spending to be offset by automatic cuts to avoid deficit spending (anyone remember "sequestration?"), unless Congress takes some action to lower the deficit, the bill could also trigger an estimated \$500 billion in cuts to Medicare (reductions are currently capped at 4% of the annual Medicare budget) over the next decade.

The final House reconciliation bill included several last-minute amendments, including:



- The timeline for implementing new work requirements for Medicaid recipients has been moved up from early 2029 to renewals scheduled on or after Dec. 31, 2026. The work requirements involve the participation of individuals aged 19-64 in 80 hours of work or specified work-related activities for one or more months preceding application for the program and one or more months between eligibility redeterminations, with some exceptions (pregnancy or a disability that keeps them from working). PBS YouTube video on how the GOP's proposed Medicaid cuts could affect millions of family caregivers https://www.youtube.com/watch?app=desktop&v=qL2kZRX7D1U.
- Repeal of Medicaid's three-month retroactive coverage period. Retroactive Medicaid coverage under the bill is limited to one month prior to application for coverage. Under current law, states are required to provide Medicaid coverage for qualified medical expenses incurred for up to 90 days prior to the date of application for coverage.
- Medicaid expansion would be disincentivized by capping the total Medicaid payment rate for inpatient hospital and nursing facility services for non-expansion states (like Wis.) at a higher rate (110% vs. 100% of the total published Medicare payment rate) than expansion states. Should non-expansion states ever choose to expand, their ability to pay doctors and hospitals more would be lost.
- States would be required to pay at least 5% of SNAP (FoodShare in Wis.) benefit costs starting in 2028. That 5% would increase based on a state's error payment rate based on a sliding scale (up to 25% of the benefit cost). Currently, the federal government pays 100% of SNAP benefits and 50% of the administrative costs (states pay the other 50% of costs to administer the program). In addition to shifting a portion of benefit costs to states, the bill also increases the state administrative cost-share to 75%. The bill also expands work requirements by providing new paperwork to prove that participants are working, this includes increasing the requirement to include adults aged 54 to 65 years old. The Wis. Department of Health Services calculates that these changes to SNAP will have a fiscal impact for Wisconsin of \$314 million. For more detail see, "Proposed Changes to SNAP Will Drive Wisconsinites into Hunger and Harm Our Local Economy"-<u>https://www.dhs.wisconsin.gov/foodshare/snap-reform-2025.pdf</u>.

Two-thirds of the people who use SNAP/Foodshare in Wisconsin are also Medicaid participants.

The Senate has now taken up the reconciliation bill and is messaging that there will be changes to the House bill in order to receive the votes needed to get it passed. Their goal is to have the final bill to the President by July 4th. The bill only requires a majority vote (51 votes instead of 60 votes due to the reconciliation process rules). **The next two weeks will be critical** to push back on cuts to Medicaid and SNAP, as Majority Leader John Thune (R-SD) has announced his intention to move quickly to pass a bill out of the Senate. Once the Senate passes its version of the bill (if it differs from the House bill as expected), the same version will need to be passed in the House before going to the president's desk.

Take Action: Senators Baldwin and Johnson need to hear from Wisconsinites about how these cuts and changes will impact you, your family, and/or your community members. See <u>Wisconsin Members of</u> <u>Congress</u> for contact information. Look for opportunities to connect with them when they are back in Wisconsin (holiday celebrations, parades, listening sessions or town halls) or contact their office to schedule a visit.



U.S. Department of Health and Human Services (HHS) Reorganization and Funding

At the end of May, a new formal document was released contain additional details of the President's FY 2026, U.S. Dept. of Health and Human Services (HHS) budget - <u>HHS-FY-2026-budget-in-brief.pdf</u>.

Despite the leaked draft document (Discretionary budget passback) in April revealing the President's intention to split up the Older Americans Act (OAA) programs across two agencies, move all but the OAA nutrition programs to the Centers for Medicare & Medicaid Services (CMS), and zeroing out OAA's Title III D and the Title VII Long-Term Care Ombudsman Programs, **the new official budget detail indicated a change of plan**.

According to the supplemental materials released on the President's HHS budget all of the Older Americans Act (OAA) programs and many other aging and disability programs previously administered by the Administration for Community Living (ACL) are now slated to be moved to a newly created Administration for Children, Families and Communities. Additionally, the final President's budget does not include ANY funding cuts to OAA programs, the State Health Insurance Assistance Programs (SHIPs), Aging and Disability Resource Centers, Adult Protective Services, Long Term Care Ombudsman Program, Protection and Advocacy systems, and Lifespan Respite, among others. See USAging's updated Appropriation Chart for specific funding details.

Unfortunately, the budget detail still includes the elimination of funding for some programs and services, including:

- Chronic Disease Self-Management Education program
- Low-Income Home Energy Assistance Program (LIHEAP)
- Community Services Block Grant (CSBG)
- Community Development Block Grant (CDBG)
- Title V Senior Community Service Employment Program (SCSEP) in the U.S. Dept. of Labor
- White House Conference on Aging
- Voting Access for People with Disabilities program
- AmeriCorps programs

The President's HHS Budget also eliminates the Section 202 Housing for the Elderly by combining it with other rental assistance programs and block granting them into one program, State Rental Assistance Block Grant (funded at 42% less than the current set of programs).

Our advocacy must continue to ensure Congress funds OAA and other aging services in their FY 2026 budget, restores funding to aging programs cut in the President's budget, and protects funding for Medicaid, SNAP (FoodShare in Wis.) and Medicare in the reconciliation budget.