

2025-27 State Budget Request

Growing Our Future Workforce

Protecting Medicaid and Increasing Medicaid Rates

In Wisconsin, Medicaid (MA) is a key source of funding for a range of services for individuals with behavioral health conditions, including serious mental illness. From school-based services to recovery services to crisis services, Medicaid is a fundamental building block of our systems of care for those in need of mental health treatment and supportive services—supports that enable individuals to learn, work, and grow in healthier families and communities. **Discussions and efforts at the national level to fundamentally change the shared federal-state commitment to Medicaid threaten the viability of Wisconsin's systems of care.**

1 in 3 Wisconsin children are covered exclusively by Medicaid/CHIP.

Nearly 40% of individuals on Medicaid have a mental health need: twice the rate in the general population.

Providers have not received an increase in BadgerCare (MA) mental health rates since 2022.

Meanwhile, mental health workforce costs have inflated significantly as demand for services has grown.

Providers dedicated to serving underinsured and Medicaid-covered populations need fair reimbursement.

New practitioners emerging from school with student debt face financial pressure to pursue positions that offer higher pay.

What We Need to Grow Our Workforce



An increase of 25% in key Medicaid behavioral health rates, including adolescent day treatment rates, would bring Wisconsin closer to sustainable reimbursement levels, particularly for providers disproportionately serving Medicaid-eligible populations.

- A recent in-depth study of Minnesota mental health rates shows Wisconsin rates **falling nearly 20% behind** current Minnesota rates and **more than 40% behind** the rates recommended by the study.
- In addition to an inflationary increase in Medicaid behavioral health rates this session, the Legislature should **advance a full study of Medicaid behavioral health rates**, similar to Wisconsin's 2024 rate study for home- and community-based services.



Full Funding for Medicaid Supported County Mental Health Programs

In Wisconsin, the delivery of mental health services for individuals with serious mental illness or in mental health crisis is dependent on a county-based service delivery system. In 2014, the state took a significant step by funding the non-federal share of Medicaid for the Comprehensive Community Services Program (CCS). The full funding of CCS has improved access to recovery services across the state.

- **Adopting state responsibility for the non-federal share** of the Community Support Program (CSP) and county crisis services would improve the continuum of mental health services available and reduce regional disparities in access.
- **State investment in CSP** would incentivize counties to move toward evidence-based models for treating those with severe mental illness (*WI Counties, Nov 2024*).