

WisDems: FACT SHEET - What the Inflation Reduction Act means for Wisconsin

Posted on Friday, Aug 19, 2022

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President Biden and Democrats' Inflation Reduction Act means lower costs on everything from prescription drugs, to health care premiums, to home energy costs

MADISON, Wis. - President Biden and Democrats are taking on special interests to lower costs for working families across Wisconsin. Thanks to Democrats' Inflation Reduction Act, Wisconsinites are going to see cleaner, more affordable home energy, lower costs for prescription drugs, hundreds of dollars of savings on health care premiums, more good-paying jobs, and a whole lot more.

See the specific ways the Inflation Reduction Act will cut costs for Wisconsin families and boost the state's economy:

CUTTING PRESCRIPTION DRUG COSTS:

- The Inflation Reduction Act will protect hundreds of thousands of Wisconsinites from catastrophic drug costs by capping medicare beneficiary out-of-pocket costs at [\\$2,000](#). Each year, that will benefit about [30,000](#) Wisconsin Medicare beneficiaries who would otherwise have out-of-pocket costs above the cap, and, for the first time, all [894,000](#) Wisconsinites with Medicare Part D will have the peace of mind of knowing their pharmacy costs are capped.
- The law allows Medicare to negotiate some high-cost prescription drug prices, which will bring down the out-of-pocket costs of these drugs for Wisconsin Medicare beneficiaries.
- The Inflation Reduction Act will require companies to pay Medicare a rebate if they increase drug prices faster than inflation, which will further reduce out-of-

pocket costs for Wisconsin Medicare beneficiaries.

- It will cap Wisconsin Medicare beneficiaries' insulin copays at \$35 per month.
- The Inflation Reduction Act expands eligibility for full Part D Low-Income Subsidies – known as Extra Help – to beneficiaries with low incomes.

About [3,800](#) Wisconsin Medicare beneficiaries received partial Extra Help in 2020 and could be helped by the expansion of income eligibility for full Extra Help.

LOCKING IN LOWER HEALTH INSURANCE PREMIUMS AND EXPANDING COVERAGE:

- About [43,000](#) more Wisconsinites will have health insurance next year compared to without the Inflation Reduction Act.
- About [212,000](#) Wisconsinites with Affordable Care Act (ACA) Marketplace coverage are saving an average of about [\\$1,080](#) annually from the American Rescue Plan subsidies that the Inflation Reduction Act continues. This particularly helps Wisconsin small business owners and self-employed people, who make up [22 percent](#) of ACA marketplace enrollment among working-age Wisconsinites.

LOWER ENERGY COSTS:

- The law includes rebates covering 50-100 percent of the cost of installing new electric appliances, including super-efficient heat pumps, water heaters, clothes dryers, stoves, and ovens. In Wisconsin, [millions](#) of low- and moderate-income households are eligible for rebates.
- Grants created by the law will help state and local governments adopt the latest building energy codes, which would save the average new homeowner in Wisconsin [21.6 percent](#) on their utility bills – [\\$651](#) annually.

GOOD-PAYING JOBS:

- In 2021, there were already [71,370](#) Wisconsin workers employed in clean energy jobs. The Inflation Reduction Act will expand these opportunities, bringing an estimated [\\$4 billion](#) of investment in large-scale clean power generation and storage to Wisconsin between now and 2030.
- The law provides a historic set of tax credits that will create jobs across solar, wind, storage, and other clean energy industries. These credits include bonuses for businesses that pay a prevailing wage, so that Wisconsin workers earn a good paycheck as we build the clean energy future in America.

DOMESTIC MANUFACTURING:

- Manufacturers employ [466,600](#) workers in Wisconsin, and the Inflation Reduction Act will help us make the technologies of the future at home – supporting local economies and strengthening supply chains.

SMALL BUSINESSES:

- Wisconsin is home to [461,525](#) small businesses, representing [99.4 percent](#) of all businesses in the state, and the Inflation Reduction Act will help them save money.
- Commercial building owners can receive a tax credit up to \$5 per square foot to support energy efficiency improvements that deliver lower utility bills. Other programs that will benefit small businesses include tax credits covering 30 percent of the costs of installing low-cost solar power and of purchasing clean trucks and vans for commercial fleets.

RURAL OPPORTUNITIES:

- The Inflation Reduction Act supports climate-smart agriculture practices, which will help Wisconsin's [64,100](#) farms lead on climate solutions and reward their stewardship.
- Electric cooperatives, which serve about [270,000](#) homes, businesses, and other customers in Wisconsin, will for the first time be eligible for direct-pay clean energy tax credits. And this legislation dedicates investments for rural electric cooperatives to boost resiliency, reliability, and affordability, including through clean energy and energy efficiency upgrades.