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State/Territory Name: WI

State Plan Amendment (SPA) #: 22-0002

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group/ Division of Reimbursement Review

June 6, 2022

Autumn Knudtson,
Bureau Director, Bureau of Benefits Policy
Interim State Plan Amendment Coordinator
Department of Health Services
1 W. Wilson St.
P.O. Box 309
Madison, WI 53701-0309

RE: Wisconsin State Plan Amendment TN: #22-0002

Dear Autumn Knudtson,

We have reviewed the proposed Wisconsin State Plan Amendment, TN: #22-0002 which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 30, 2022. This State Plan makes adjustments to the Medicaid fee-for-service reimbursement rates.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Matthew Klein at 214-767-4625 or matthew.klein@cms.hhs.gov

Sincerely,

A solid black rectangular box used to redact the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER
22 — 0002

2. STATE
WI

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
01/01/2022

5. TYPE OF PLAN MATERIAL (*Check One*)

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447.201 and 2021 WI Act 58

7. FEDERAL BUDGET IMPACT

a. FFY 2022 \$ 59,215,937
b. FFY 2023 \$ 84,356,611

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Pages: 2, 3, 8, 9, 14, 16, 16a, 16b, 16.h-1, 16.h-2, 16.h-8,
16.h-9, 16.h-11, 16.h-12, 16.h-14, 16.h-15, 16.h-16

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*)

Same

10. SUBJECT OF AMENDMENT

Adjustment to Medicaid fee-for-service reimbursement rates

11. GOVERNOR'S REVIEW (*Check One*)

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT ☐ OTHER, AS SPECIFIED
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

DocuSigned by:

Nathan Bollhorst

3/14/2022

12. SIGNATURE OF STATE AGENCY OFFICIAL

3/14/2022

13. TYPED NAME
Lisa Olson

14. TITLE
State Medicaid Director

15. Date Submitted: 3/30/22

16. RETURN TO

Autumn Knudtson
Bureau Director, Bureau of Benefits Policy
Interim State Plan Coordinator
1 W. Wilson St.
P.O. Box 309
Madison, WI 53701-0309

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED
3/30/2022

18. DATE APPROVED
June 6, 2022

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL
01/01/2022

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME
Todd McMillon

22. TITLE
Director, Division of Reimbursement Review

23. REMARKS

1. The Reimbursement Methodologies are designed to enlist program participation by a sufficient number of providers so that MA recipients are assured that authorized medical care and services are available to the same extent those same services are available to the state's general population.
2. Program participation is limited to providers who accept as reimbursement in full the amounts paid in accordance with the rate methodology, or to providers who enter into contracts with the department to provide services for free or at a reduced reimbursement level.

E. Public Notice

In accordance with 42 CFR 447.205, the department will post public notice in advance of the effective date of any significant proposed change in its methods and standards for setting reimbursement rates.

F. Methods and Standards for Establishing Payment Rates for Non-Institutional Care

The Department will establish maximum allowable fees for the covered services listed below. Maximum fees may be adjusted to reflect reimbursement limits or limits on the availability of federal funding specified in federal law. Except as otherwise provided in the methods and standards for specific services set forth in this Attachment, for each covered service, the Department shall pay the lesser of a provider's usual and customary charge or the maximum fee established by the Department.

- * 1. Physician Services
2. Chiropractic
3. Early and Periodic Screening, Diagnosis and Testing (EPSDT)
4. Medical Day Treatment, Mental Health and AODA Counseling (except physician services)
5. Optometrist/Optician
- ** 6. Private Duty Nursing
7. Transportation
 - *** a. Specialized Medical Vehicles
 - b. Ambulance
8. Laboratory and X-ray
9. Blood Banks
10. Dental
11. Audiology
12. Occupational Therapy
13. Speech Therapy
14. Physical Therapy
15. Family Planning Clinics
16. Nurse-Midwife Services
17. Ambulatory Surgical Centers

18. Portable x-ray
19. Rehabilitation agencies
20. Personal Care effective 7-1-BB
21. AODA Outpatient Services effective 1-1-89
22. AODA Day Treatment Services effective 3-1-89
23. Podiatry Services effective 7-1-90
24. Pediatric and Family Nurse Practitioner Services effective 7-1-90
25. Other Nurse Practitioner and Clinical Nurse Specialist Services effective 7-1-90
26. Psychosocial Rehabilitation Services effective 1-1-2015
27. Services (other than room and board) designed to encourage completion of regimens of prescribed drugs by outpatients, including services to observe directly the intake of prescribed drugs for TB-infected individuals, effective 7-1-95
28. Drugs (pharmacy)
29. Substance use disorder treatment in a residential setting

* For reimbursement of obstetric and pediatric services, see page 8 of this Attachment. For reimbursement for physician primary care services in a HPSA. see item #15, page 6.

** For reimbursement of high-tech care for children - private duty nursing services see item #19 in this attachment, page 6c.

*** For reimbursement for trips where more than one recipient is transported at the same time, see item #23, page 16.

State: Wisconsin

10. Case Management Services
All Other Target Populations

Providers are reimbursed at a uniform statewide contracted hourly rate for each hour of allowable assessment, case planning, or ongoing monitoring services. The rate is based on the statewide average rate for a social worker with annual increases based on the Consumer Price Index.

Effective 7-1-93

11. Home Health Services

Payments will be made at the lesser of usual and customary agency charges, or maximum allowable fees. These rates include travel, recordkeeping, RN supervision and other administrative costs as well as direct care expenses. In comparing established rates-per-visit to inflated costs, it is anticipated that some agencies may receive reimbursement equal to or exceeding their individual anticipated costs per discipline. It should be noted that at no time will an agency be reimbursed more than its usual and customary fee or the WMAP maximum rate, whichever is less.

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin ForwardHealth website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/publications/maxfeehome.aspx>

13. Respiratory Care Services

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin ForwardHealth website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/publications/maxfeehome.aspx>

14. Medicare Part B Coinsurance Payment

Payment is limited to the MA maximum allowable fee or rates, less the Medicare payment for a service provided to a recipient who is eligible for both Medicare and Medical Assistance. For Medicare services not otherwise covered by Wisconsin Title XIX, reimbursement will be established at Medicare rates.

Effective 7-1-89

15. Health Personnel Shortage Area (HPSA) Reimbursement for Primary Care Services

Physicians with primary care specialties and mid-level health professionals who practice in or provide primary care services to recipients residing in Health Personnel Shortage Areas (HPSAs) receive an incentive payment of 20% over and above the maximum allowable fees paid by the Medical Assistance Program for primary care procedures. A HPSA is a medically underserved area designated by the United States Department of Health and Human Services under the Public Health Service Act.

The components of this benefit are:

Primary care physicians have specialties in pediatric, general practice, family practice, internal medicine, emergency medicine, obstetric and gynecology;

Mid-level health professionals are physician assistants, nurse practitioners and nurse midwives; and

Primary care services are evaluation and management office, emergency department and preventive medicine procedures, / immunizations and selected obstetric procedures.

When obstetric services are provided by the primary care physicians and mid-level health professionals these providers will receive an additional HPSA incentive payment of 25% over the regular bonus amount.

State: Wisconsin

20. Dental Services

The Department establishes maximum allowable fees for dental services. For each covered service, the Department shall pay the lesser of a provider's usual and customary charge or the maximum fee established by the Department. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of dental services.

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin ForwardHealth website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/Publications/MaxFeeDownload.aspx#Dental>

Enhanced Reimbursement for Certain Dental Providers

Effective January 1, 2019, dental providers who render 90 percent or more of their services annually to individuals with cognitive and/or physical disabilities, as defined by the Department as "developmental disability" and "physically or sensory disabled" will receive enhanced reimbursement rates for all dental services provided to Medicaid beneficiaries to account for an increase in intensity and duration of services. The enhanced rate will be equivalent to 200 percent of the state plan fee schedule rate for dental services. Qualification for enhanced payment will be completed through provider self-attestation as well as verification by the state through a claims review process.

Qualification will occur annually based on the calendar year, beginning January 1, 2019 through December 31, 2019. Enhanced reimbursement rates are in effect January 1st of the following calendar year.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of dental services.

22. Primary Care Provider Incentive Payment

Primary care providers are reimbursed at a rate, when annualized, that is an estimated 2 percent over and above the established maximum allowable fee for all services they provide. For this enhanced payment, primary care providers are defined as physician assistants, nurse midwives, nurse practitioners and physician specialists in general and family practice, internal medicine, pediatrics, obstetrics and gynecology.

The intent of this rate increase is to improve Medical Assistance recipient access to primary care services, including pediatric and obstetric services, by increasing compensation to those providing primary care. In addition, many studies document that primary care providers furnish high quality health care at lower cost than other specialists.

The findings of the Physician Payment Review Commission indicate that over the past decades physician reimbursement for primary care services has grown at a much slower rate than reimbursement for other specialists. This increased reimbursement is an effort to begin to correct the imbalance in payment between primary care and other specialist providers.

Effective for payments made on and after 10-16-93 for
dates of service on and after July 1, 1993

23. Specialized Medical Vehicle (SMV) Multiple Carry

On trips where more than one recipient is being transported at the same time, providers are paid at a lower rate for the second and subsequent recipients.

Effective 4-1-95

24. Reimbursement for Special Tuberculosis (TB) Related Services.

Reimbursement for these services is limited to those claims with a TB-related diagnosis. Reimbursement is through an hourly rate and a maximum amount per recipient depending on whether the recipient was TB-infected only or a suspected or confirmed TB case. Prior authorization is required for claims that exceed the maximum limitations to assure the medical necessity of exceeding these limits. Hourly rates and maximums are based on current averages to provide tuberculosis-related services by public health nursing staff at local health departments.

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin ForwardHealth website: <https://www.forwardhealth.wi.gov/WIPortal/Subsystem/publications/maxfeehome.aspx>

TN #22-0002
Supersedes TN
#95-0020

Effective Date 1-1-22

Approval
Date June 6, 2022

State: Wisconsin

25. Reimbursement to County Health, Human Services, Social Services and Community Programs Agencies for Certain Services

Programs operated by local County Health, Human Services, Social Services and Community Programs Agencies provide outpatient mental health and alcohol and other drug abuse treatment and other services, including services by a psychiatrist, medical day treatment services, ADDA day treatment, child/adolescent day treatment, personal care services, case management services, psychosocial services mental health crisis intervention services, prenatal care coordination services and/or home health services (or nursing services if home health services are not available). Covered services are defined in Attachment 3.1-A.

A. Payments for Covered services covered under Attachment 3.1-A rendered by providers other than local County Health, Human Services, Social Services and Community Programs Agencies are equal to the lower of the submitted charge or the appropriate maximum fee from the Wisconsin Department of Health Services Fee Schedule. The agency's fee schedule rate was set as of January 1, 2022 and is effective for services provided on or after that date. All rates are published on the Department of Health Services Forward Health website at <https://www.forwardhealth.wi.gov/WIPortal/Subsystem/Publications/MaxFeeHome.aspx>.

B. Payments to Local County Health, Human Services, Social Services and Community Programs Agencies

Local County Health, Human Services, Social Services and Community Programs Agencies will be paid reconciled cost. Interim payments will be made using the Wisconsin fee schedule.

To assure payments do not exceed cost, County Health, Human Services, Social Services and Community Programs Agency interim payments will be cost settled annually to Medicaid incurred costs. Effective for cost reporting periods beginning on or after January 1, 2015, Medicaid incurred cost will be determined by the Department of Health Services using a cost reporting methodology and cost report approved by CMS in accordance with 2 CFR 200.

Counties shall not claim FFP for any services rendered by providers who do not meet the applicable Federal and/or state definition of a qualified Medicaid provider. Additionally, counties shall not claim FFP for non-Medicaid covered services or non-allowed cost such as room and board.

A. Direct Medical Services Payment Methodology:

The annual cost settlement methodology will consist of a CMS approved cost report and reconciliation. If Medicaid payments exceed Medicaid incurred costs, the excess will be recouped and the Federal share will be returned on the CMS-64 report.

26. Medication Management

The maximum allowable fee for medication management is based on the maximum fee for home health skilled nursing as well as the relative amount of time and the relative level of skill to provide the service. The fee is adjusted for travel time, overhead costs and indirect costs. The maximum allowable fee for medication management is the same for all providers because the service is virtually the same whoever provides it.

Effective 01/01/2022

32. Audiology Services

The Department establishes maximum allowable fees for audiology services. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of audiology services.

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin Forward.Health website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/publications/maxfeehome.aspx>

These rates were last updated on January 1, 2022

For each covered service, the Department shall pay the lesser of a provider's usual and customary charge or the maximum fee established by the Department.

33. Chiropractic Services

The Department establishes maximum allowable fees for chiropractic services. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of chiropractic services.

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin ForwardHealth website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/publications/maxfeehome.aspx>

These rates were last updated on January 1, 2022.

For each covered service, the Department shall pay the lesser of a provider's usual and customary charge or the maximum fee established by the Department.

State; Wisconsin

Other Practitioners' Services

"Other Practitioners' Services" refers to other practitioners of behavioral treatment services defined in section 6.d. of Attachment 3.1-A Supplement I and Attachment 3.1-B Supplement 1.

The Department establishes maximum allowable fees for all other practitioners for behavioral treatment services. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of behavioral treatment services.

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin ForwardHealth website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/publications/maxfeehome.aspx>

For each covered service, the Department shall pay the lesser of the provider's usual and customary charge or the maximum fee established by the Department.

Provider travel time is not separately reimbursed.

39. Occupational Therapy Services

The Department establishes maximum allowable fees for occupational therapy services. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of occupational therapy services.

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin Forward.Health website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/publications/maxfeehome.aspx>

These rates were last updated on January 1, 2022.

For each covered service, the Department shall pay the lesser of a provider's usual and customary charge or the maximum fee established by the Department.

State: Wisconsin

41. Personal Care Services

The Department establishes maximum allowable fees for personal care services. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of personal care services.

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin ForwardHealth website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/Publications/MaxFeeHome.aspx>

For each covered service, the Department shall pay the lesser of a provider's usual and customary charge or the maximum fee established by the Department.

42. Physical Therapy Services

The Department establishes maximum allowable fees for physical therapy services. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of physical therapy services.

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin ForwardHealth website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/publications/maxfeehome.aspx>

These rates were last updated on January 1, 2022.

For each covered service, the Department shall pay the lesser of a provider's usual and customary charge or the maximum fee established by the Department.

44. Speech Therapy

The Department establishes maximum allowable fees for speech therapy services. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of speech therapy services.

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin ForwardHealth website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/publications/maxfeehome.aspx>

These rates were last updated on January 1, 2022.

For each covered service, the Department shall pay the lesser of a provider's usual and customary charge or the maximum fee established by the Department.

TN#
22-0002
Supersedes
TN: #15-0009

Approval date: June 6, 2022

Effective date: 01/01/2022

45. Transportation– Emergency Ambulance

The Department establishes maximum allowable fees for emergency ambulance services. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of emergency ambulance services.

The agency's fee schedule rates were set as of January 1, 2022 and are effective for services provided on or after that date. All rates are published on the Wisconsin ForwardHealth website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/publications/maxfeehome.aspx>

These rates were last updated on January 1, 2022.

For each covered service, the Department shall pay the lesser of a provider's usual and customary charge or the maximum fee established by the Department.

46. **1905(a)(29)** Medication-Assisted Treatment (MAT)

The Department establishes maximum allowable fees for MAT services. For each covered service, the Department shall pay the lesser of a provider's usual and customary charge or the maximum fee established by the Department. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of MAT services.

All rates are published on the Wisconsin ForwardHealth website:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/Publications/MaxFeeSearch.aspx>

The reimbursement for unbundled prescribed drugs and biologicals used to treat opioid use disorder will be reimbursed using the same methodology as described for prescribed drugs located in Attachment 4.19-B, pages 5-5b for drugs that are dispensed or administered.