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State/Territory Name: Wisconsin

State Plan Amendment (SPA) WI: 25-0016

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
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Financial Management Group

June 5, 2026

Bill Hanna
State Medicaid Director
Department of Health Services
1 W. Wilson St.
P.O. Box 309
Madison, WI 53701-0309

RE: TN 25-0016

Dear Director Hanna:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Wisconsin state plan amendment (SPA) to Attachment 4.19-A and 4.19-B, which was submitted to CMS on September 26, 2025. This plan amendment updates reimbursement for inpatient and outpatient hospital access payments.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of July 1, 2025. We are enclosing the approved CMS-179 and a copy of the new state plan pages.



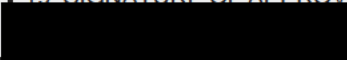
If you have any additional questions or need further assistance, please contact Tom Caughey at 517-487-8598 or via email at tom.caughey@cms.hhs.gov.

Sincerely,



Rory Howe
Director
Financial Management Group

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER <u>2 5</u> — <u>0 0 1 6</u>	2. STATE <u>WI</u>
		3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <u>7/1/2025</u>	
5. FEDERAL STATUTE/REGULATION CITATION <u>47 CFR 447.250</u>		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>25</u> \$ <u>30,510,137</u> b. FFY <u>26</u> \$ <u>91,530,413</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <u>4.19-A pg. 42</u> <u>4.19-B pg. 8</u>		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <u>4.19-A pg. 42 (18-0002)</u> <u>4.19-B pg. 8 (25-0003)</u>	
9. SUBJECT OF AMENDMENT <u>Hospital access payment changes</u>			
10. GOVERNOR'S REVIEW (Check One) <input checked="" type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <input type="radio"/> OTHER, AS SPECIFIED: 			
11. SIGNATURE OF STATE AGENCY OFFICIAL 		15. RETURN TO Allie Merfeld State Plan Amendment Coordinator Department of Health Services 1 W. Wilson St. P.O. Box 309 Madison, WI 53701-0309	
12. TYPED NAME Bill Hanna			
13. TITLE Medicaid Director			
14. DATE SUBMITTED 9/26/2025			
FOR CMS USE ONLY			
16. DATE RECEIVED September 26, 2025		17. DATE APPROVED	
PLAN APPROVED - ONE COPY ATTACHED			
18. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2025		19. SIGNATURE OF APPROVING OFFICIAL 	
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe		21. TITLE OF APPROVING OFFICIAL Director, FMG	
22. REMARKS			

9700 Inpatient Access Payments

Effective on or after July 1, 2025, to promote WMP member access to acute care, rehabilitation, and critical access hospitals throughout Wisconsin, the WMP provides a hospital access payment amount per eligible inpatient FFS discharge. Access payments are intended to reimburse hospital providers based on WMP volume. Therefore, the payment amounts per discharge are not differentiated by hospital based on acuity or individual hospital cost. However, critical access hospitals receive a different access payment per discharge than do acute care and rehabilitation hospitals.

The amount of the hospital access payment per discharge is based on aggregate hospital upper payment limits (UPLs). This amount of funding is divided by the estimated number of paid inpatient FFS discharges for the SFY to develop the per discharge access payment rate.

The access payment per discharge amounts are effective July 1 of the current fiscal year and are identified on the hospital reimbursement rate web page of the Wisconsin ForwardHealth Portal, here:

<https://www.forwardhealth.wi.gov/WIPortal/Subsystem/SW/StaticContent/Provider/medicaid/hospital/drg/drg.htm.spage#> .

This payment per discharge is in addition to the base DRG and per diem payments described in other sections of this document. Access payments per discharge are only provided until the FFS access payment funding pool amount has been expended for the SFY.

This payment per discharge is in addition to the base DRG and per diem payments described in other sections of this document. Access payments per discharge are only provided until the FFS access payment funding pool amount has been expended for the SFY.

Access payments are subject to the same federal UPL standards as base rate payments, described in 42 CFR § 272.

Access payment amounts are not interim payments and are not subject to settlement. Psychiatric hospitals and Long-Term Acute Care (LTAC) hospitals are not eligible for access payments because of the unique rate setting methods used to establish rates for those hospitals.

TN# 25-0016

Supersedes

Approval Date: June 5, 2026 Effective Date: 07/01/2025

TN# 18-0002

4230 Calculating Final EAPG Payment. Each line of an outpatient hospital claim is assigned to an EAPG and therefore has a distinct weight. These weights are multiplied by the hospital's specific EAPG base rate. The total reimbursement for an outpatient hospital claim is the sum of these multiplications, with the following exceptions:

- Clinical Diagnostic Laboratory Services are paid on a fee schedule basis.

4240 Exclusions from the EAPG Reimbursement System. The following services are not included within the EAPG reimbursement system:

- Therapy Services
- Clinical Diagnostic Laboratory Services
- Durable Medical Equipment (DME)
- Provider-Based End Stage Renal Disease (ESRD) Services

4250 Outpatient Access Payment. Effective on or after July 1, 2025, to promote WMP member access to acute care, rehabilitation, and critical access hospitals throughout Wisconsin, the WMP provides a hospital access payment amount per eligible outpatient FFS claim. Access payments are intended to reimburse hospital providers based on WMP volume. Therefore, the payment amounts per claim are not differentiated by hospital based on acuity or individual hospital cost. However, critical access hospitals receive a different access payment per claim than do acute care, and rehabilitation hospitals.

The amount of the hospital access payment per discharge is based on aggregate hospital upper payment limits (UPLs). This amount of funding is divided by the estimated number of paid outpatient FFS claims for the SFY to develop the per claim access payment rate.

The access payment per claim amounts are effective for dates of service on or after July 1 of the current fiscal year and are identified on the hospital reimbursement rate web page of the Wisconsin ForwardHealth Portal https://www.forwardhealth.wi.gov/wiportal/content/provider/medicaid/hospital/resources_01.htm.spage. This payment per claim is in addition to the EAPG base payment described in §4230. Access payments per claim are only provided until the FFS access payment funding pool amount has been expended for the SFY.

Access payments are subject to the same federal UPL standards as base rate payments, described in 42 CFR §447.321. Access payment amounts are not interim payments and are not subject to settlement. Psychiatric hospitals and Long-Term Acute Care (LTAC) hospitals are not eligible for access payments.

4260 Outpatient Dental Add-on Payment. The Department provides an outpatient per visit add-on of \$1,075 (in addition to the EAPG payment) for outpatient dental services where deep sedation is provided. Claims qualifying for the add-on payment will be acute hospital claims billing procedure code 41899 with modifier U2 to indicate sedation.