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State/Territory Name: Wisconsin

State Plan Amendment (SPA) #: 26-0002

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 65106

Medicaid and CHIP Operations Group

June 10, 2026

Amanda Dreyer
Medicaid Director
Wisconsin Department of Health Services
Division of Medicaid Services
201 E. Washington Ave, Room 8300
Madison, WI 53703

Re: Wisconsin State Plan Amendment (SPA) – 26-0002

Dear Director Dreyer:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 26-0002. This amendment proposes to make changes to prior authorization for physical therapy and related services as required by the Federal 2024 Interoperability and Prior Authorization Rule.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations at 42 Code of Federal Regulation (CFR) 440.110. This letter informs you that Wisconsin's Medicaid SPA TN 26-0002 was approved on June 8, 2026, with an effective date of January 1, 2026.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the Wisconsin State Plan.

If you have any questions, please contact Mai Le-Yuen via email at Mai.Le-Yuen@cms.hhs.gov.

Sincerely,

Nicole McKnight
Acting Director, Division of Program Operations

Enclosures

cc: Alexandra Merfeld, DHS

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
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June 10, 2026

Amanda Dreyer
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Wisconsin Department of Health Services
Division of Medicaid Services
201 E. Washington Ave, Room 8300
Madison, WI 53703

Re: Wisconsin State Plan Amendment (SPA) Transmittal Number WI-26-0002.

Dear Director Dreyer:

This letter is being sent as a companion to our approval of Wisconsin State Plan Amendment (SPA) 26-0002 that makes changes to prior authorization required by the Federal 2024 Interoperability and Prior Authorization Rule.

Section 1902(a) of the Social Security Act (the Act) requires that a state plan for medical assistance meets certain federal requirements that set out a framework for the State program. Implementing regulations at 42 Code of Federal Regulation (CFR) 430.10 require that the state plan be a comprehensive written statement describing the nature and scope of the state's Medicaid program and that it contains all information necessary for the Centers for Medicare & Medicaid Services (CMS) to determine whether the plan can be approved to serve as the basis for Federal financial participation (FFP) in the State program.

Supplement 1 to Attachment 3.1-B, page 4a, and Supplement 1 to Attachment 3.1-A, page 5a state the following language: "For additional limitations and a comprehensive list of services that require prior authorization, please refer to the WMAP Dental Provider Handbook, Part B". Pages 4a and 5a are not in accordance with current CMS regulations, statutory requirements, or official guidance. Regulations at 42 CFR. 440.230(a) requires that the plan page must specify the amount, duration, and scope of each service that it provides for (1) the categorically needy and (2) each covered group of medically needy. Accordingly, the state will need to identify all dental limits via plan page at Supplement 1 to Attachment 3.1-A, page 5a and Supplement 1 to Attachment 3.1-B, page 4a. While states may set soft limits, states may not set hard limits on services for EPSDT-eligible children. A hard limit is a limit that may not be exceeded, whereas soft limits are limits that can be exceeded based on a determination of medical necessity. If any hard limits are identified, the state will need to conduct a sufficiency analysis as outlined in the Associate Regional Administrators (ARA) for Medicaid Sufficiency of Mandatory and Optional Services Memo. If soft limits apply, the plan page for dental at Supplement 1 to Attachment 3.1-A, page 5a, and Supplement 1 to Attachment 3.1-B, page 4a, must state that limits can be exceeded if medically necessary.

On April 17, 2026, CMS asked these clarifying questions regarding the dental language and the state responded that they intended to cover services based on a determination of medical necessity, indicating

2 Page - Dear Director Dreyer

that limits were intended to be soft. However, the state also indicated that there may be unintentional hard limits which do not align with this intent. The state shared that it would need additional time to research how these claims are processed and correct hard limits.

Please respond within 90 days from the date of this letter with a corrective action plan describing how you will resolve the issues identified above. During the 90-day period, we are happy to provide any technical assistance that you need. State plans that are not in compliance with requirements at 42 CFR 430.10 are grounds for initiating a formal compliance process.

If you have any questions, please contact Mai Le-Yuen at (312) 353-2853 or via email at Mai.Le-Yuen@cms.hhs.gov.

Sincerely,

Nicole McKnight
Acting Director, Division of Program Operations

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

1. TRANSMITTAL NUMBER

2 6 — 0 0 0 2

2. STATE

WI

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

1/1/2026

5. FEDERAL STATUTE/REGULATION CITATION

1905(a)(11) of the Act and 42 CFR 440.110

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 26 \$ 0
b. FFY 27 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

3.1-A Supp. 1 pg. 5a
3.1-B Supp. 1 pg. 4a

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

3.1-A Supp. 1 pg. 5a (09-0018)
3.1-B Supp. 1 pg. 4a (09-0018)

9. SUBJECT OF AMENDMENT

Complying with CMS Interoperability and Prior Authorization Final Rule (CMS-0057-F) by updating prior authorization policies.

10. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

Signed by:
Nathan Bellhorst
FBE9145644474F3

BY OFFICIAL

Amanda Dreyer

13. TITLE
Medicaid Director

14. DATE SUBMITTED
3/27/2026

15. RETURN TO

Allie Merfeld
State Plan Amendment Coordinator
Department of Health Services
201 East Washington Ave
Room B300
Madison, WI 53701-0309

FOR CMS USE ONLY

16. DATE RECEIVED

March 27, 2026

17. DATE APPROVED

June 8, 2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

January 1, 2026

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Nicole McKnight

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

State: Wisconsin

10. Dental Services. (Continued)

Eff.

10-1-95 dental implants and transplants; services for cosmetic purposes; overlay and duplicate dentures; precious metal crowns; professional visits; drug dispensing; adjunctive periodontal services; stomoplasty; and non-surgical temporomandibular joint therapy. Several services are provided only in specified circumstances or as referred through a HealthCheck (EPSDT) screen when deemed medically necessary. These services include the dental services defined at 42 CFR 440.100, orthodontics, and adjunctive services. For other limitations and a listing of those services requiring prior authorization, see the WMAP Dental Provider Handbook, Part B.

11. Physical Therapy and Related Services. Prior authorization is required for

Eff. physical and occupational therapies, and speech language pathology after 35 treatment days per calendar year. Services for recipients who are hospital inpatients or receiving therapy through a home health agency are not subject to this requirement. For audiology, prior authorization is required for speech and aural rehabilitation after 35 treatment days per calendar year.

3-1-06

Physical therapists provide physical therapy services, occupational therapists provide occupational therapy services, and speech-language pathologists provide speech, hearing and language services. Services are prescribed by a physician or other licensed practitioner of the healing arts within the scope of his or her practice under state law. Physical therapists are certified in accordance with state laws and regulations and meet the requirements of 42 CFR 440.110 (a). Occupational therapists are certified in accordance with state laws and regulations and meet the requirements of 42 CFR 440.110 (b). Speech language pathologists are certified in accordance with state laws and regulations and meet the requirements of 42 CFR 440.110 (c). Those who provide services under the direction of the listed therapists are physical therapist assistants, who are certified in accordance with state laws and regulations, and occupational therapy assistants, who are certified providers in accordance with state laws and regulations.

TN # 26-0002

Supersedes

TN # 09-018Approval Date: June 8, 2026Effective Date: January 1, 2026

State: Wisconsin

10. Dental Services. Dental services are limited to the basic services within each
Eff. of the following categories: diagnostic services, preventive services,
10-1-95 restorative services, endodontic services, periodontic services, fixed and
removable prosthodontics, oral and maxillofacial services, and emergency
treatment of dental pain. The following are examples of services not covered:
dental implants and transplants; services for cosmetic purposes; overlay
and duplicate dentures; precious metal crowns; professional visits; drug
dispensing; adjunctive periodontal services; stomoplasty; and non-surgical
temporomandibular joint therapy. Several services are provided only in
specified circumstances or as referred through a HealthCheck (EPSDT)
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