

**PUBLIC NOTICE**  
**Department of Health Services**  
**Wisconsin Medicaid Hospital Reimbursement Changes**

The State of Wisconsin reimburses providers for services provided to Medical Assistance recipients under the authority of Title XIX of the Social Security Act and ss. 49.43 to 49.47, Wisconsin Statutes. This program, administered by the State's Department of Health Services (the Department), is called Medical Assistance (MA) or Medicaid. In addition, Wisconsin has expanded this program to create the BadgerCare Plus programs under the authority of Title XIX and Title XXI of the Social Security Act and s. 49.471 of the Wisconsin Statutes. Federal statutes and regulations require that a state plan be developed that provides the methods and standards for reimbursement of covered services. A plan that describes the reimbursement system for the services (methods and standards for reimbursement) is in effect.

**Change in Covered Services and Payment Methods**

The Department is making the following changes to the Outpatient Hospital State Plan (Attachment 4.19-B):

- Outpatient Base Rates for Acute Care Hospitals:
  - DHS will modify §4213 to increase the statewide Medicaid fee-for-service base rate for outpatient services paid under the EAPG system above and beyond the annual inflation increase, consistent with the 2023-25 Wisconsin biennial budget.

The Department is making the following changes to the Inpatient Hospital State Plan (Attachment 4.19-A):

- Inpatient Base Rates for Acute Care Hospitals:
  - DHS will modify §6230 to increase the statewide Medicaid fee-for-service base rate for inpatient services paid under the APR-DRG system above and beyond the annual inflation increase, consistent with the 2023-25 Wisconsin biennial budget.
- Inpatient Behavioral Health for Acute Care Hospitals:
  - DHS will modify §6230 to create a new policy adjustor. This policy adjustor will provide increased Medicaid reimbursement for hospital services provided in a behavioral health unit of a general medical and surgical hospital, consistent with the 2023-25 Wis. biennial budget enacted 7/5/2023.
- Graduate Medical Education
  - DHS will modify §9810-§9840 to allow graduate medical education grants in additional accredited or nationally certified residency or fellowship programs in a medical specialty, consistent with §146.64, Wis. Stats. The change will be effective 1/1/2024 and will apply to claims with dates of service on or after that date.
- Pharmaceutical Professional Services Excluded from DRG Payments
  - DHS will modify §6130 to indicate that the professional services of pharmacists enrolled in Medicaid are excluded from DRG-based payment for hospital claims, consistent with 2021 Wisconsin Act 98.
- Services Exempted from the DRG-Based Payment System:
  - DHS will modify §7200 Payment for Ventilator-assisted Patients to reflect an updated per-diem rate of \$1,612 for Medicaid recipients on a ventilator. This per-diem rate has been updated for inflation.
  - DHS will modify §7500 Brain Injury Care to reflect a newly consolidated rate of \$2,249 per-diem for coma recovery and neurobehavioral care. These services will no longer be paid at different rates. This newly consolidated rate has also been

updated for inflation.

These changes will be effective 1/1/2024 and will apply to claims with dates of service on or after that date. The change to Medicaid, and BadgerCare Plus is projected to result in increased annual expenditures of **\$65.72 million all funds (AF)**, composed of **\$39.85 million federal match (FED)** and **\$25.87 million state funds/general purpose revenue (GPR)**.

### **Copies of Changes**

Copies of the Hospital Medicaid state plan amendment may be obtained free of charge by calling or writing:

Mail:

Attention: DHS SPA Coordinator  
Bureau of Benefits Policy  
Division of Medicaid Services  
P.O. Box 309  
Madison, WI 53701-0309

Fax:

(608) 266-1096

Attention: DHS SPA Coordinator

E-Mail:

[DHSDMSSPAPublicFeedback@dhs.wisconsin.gov](mailto:DHSDMSSPAPublicFeedback@dhs.wisconsin.gov)

Copies of the state plan change will be made available for review at the main office of any county department of social services or human services.

**Written Comments**

Written comments are welcome. Written comments on the proposed changes may be sent by FAX, e-mail, or regular mail to the Division of Medicaid Services as described above. All written comments will be reviewed and considered.

The written comments will be available for public review between the hours of 7:45 a.m. and 4:30 p.m. daily in Room 350 of the State Office Building, 1 West Wilson Street, Madison, Wisconsin. Revisions may be made in the proposed change based on comments received.