
Wisconsin Legislative Council

ACT MEMO



Prepared by: Margit Kelley, Principal Attorney

March 27, 2024

2023 Wisconsin Act 177 [2023 Assembly Bill 616]

Medicaid Coverage in Institutions for Mental Disease

2023 Wisconsin Act 177 requires the Department of Health Services (DHS) to provide Medical Assistance (MA) coverage for services provided to an adult age 21 to 64 in an institution for mental disease, if any necessary waiver or approval is granted by the U.S. Department of Health and Human Services. Prior law allowed, but did not require, MA coverage for services for adults in an institution for mental disease.

The act requires DHS to submit a request for any necessary waiver or approval by January 1, 2025, in order to provide the MA coverage for services during short-term stays for acute care in a psychiatric hospital or residential treatment setting that qualifies as an institution for mental disease.

An “institution for mental disease” is defined in state and federal law as a hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment, or care of persons with mental diseases.

Effective date: March 24, 2024

For a full history of the bill, visit the Legislature’s [bill history page](#).

MSK:jal