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DCTS Memo 2026-05

To: Subscribers of the DCTS Memo Email Distribution List

From: Gynger Steele, Administrator

Rate Information for Billing for Services Provided by the Centers for People with Intellectual Disabilities

Summary

The Department of Health Services (DHS) annually reviews and revises the rates charged for services at the centers for people with intellectual disabilities: Central Wisconsin Center, Northern Wisconsin Center, and Southern Wisconsin Center. This memo provides information on the rate structure for these services for state fiscal year 2027.

Background

DHS develops and approves the rates for long-term care and intensive treatment services at the centers for people with intellectual disabilities.

County agencies are billed for long-term care services only for people ineligible for Medicaid, designated as inappropriately placed, and/or admitted for Intensive Treatment Program services. Under Wis. Stat. § 51.437(4rm)(c)1, the county has 60 days to pay the bill. If payment is not received within 60 days, the amount is automatically deducted from the next DHS payment to the county through the Grant Enrollment, Application and Reporting System (GEARS).

Intensive Treatment Program (ITP) services

ITP services are provided to individuals with intellectual disabilities who require active treatment and who also are diagnosed as having a mental illness or who exhibit extremely aggressive and challenging behaviors.

Under Wis. Stat. § 51.437(4rm)(c)2m, the county agency is billed the nonfederal share for services provided to individuals under Wis. Stat. § 51.06(1m)(d) who are eligible for Medicaid. The ITP rates are calculated to create a uniform statewide rate for ITP services provided at all three centers. A uniform statewide ITP rate enables counties to access the closest facility or select the facility that best suits the individual's needs without regard to rate differences.

The Billing and Collections Unit of the DHS Bureau of Fiscal Services bills the counties for the nonfederal share of the Medicaid ITP rates for the care of people receiving ITP services. The amount charged to the counties is lower if some portion of the care is covered by non-Medicaid dollars. The amount charged to the counties changes as the Medicaid rate per day and/or the nonfederal share changes. The federal government sets the federal Medical Assistance Percentage (FMAP) for each state

based on criteria established in federal law. The nonfederal share will decrease in state fiscal year 2027 from 39.32% (July 1, 2026) to 38.77% (October 1, 2026). The county is not billed for the nonfederal share of the Medicaid payment for individuals admitted for ITP services whose cost of care is covered by a Family Care managed care organization.

Extended intensive treatment surcharge

Under Wis. Stat. § 51.06(5), DHS is authorized to assess a surcharge equal to 10% of the total cost of care provided to individuals in the ITPs based on their length of stay. The surcharge is imposed for each six-month period in which a resident remains at a center beyond their discharge date, which is set by the center and the individual's county of residence. The surcharge amount increases by 10% of the total cost of care provided during each six-month period thereafter.

Non-typical services surcharge

DHS is authorized to bill a non-typical services surcharge in addition to already existing rates for service. Non-typical services are defined as those services not normally required by the member. Examples include, but are not limited to, one-on-one staffing or greater, extraordinary living arrangements or medical services, and interpretive services.

Transitioning people to community care

The county is billed \$48 per day if an independent professional review established under 42 USC 1396a(a)(31) determines the individual served is appropriate for community care, and there is adequate state and federal funding to provide these community services (Wis. Stat. § 51.437(4rm)(c)2.b.).

Rate schedule

July 1, 2026 – June 30, 2027

	CENTRAL	NORTHERN	SOUTHERN
Private Pay/T19 Rate Per Day	\$2,147.00	\$2,401.00	\$1,935.00
Intensive Treatment Services Per Day	\$2,401.00	\$2,401.00	\$2,401.00
Non-federal Share (7/1/26 – 9/30/26)			
a. Up to agreed upon discharge date	\$944.07	\$944.07	\$944.07
b. After agreed upon discharge date	\$1,038.48	\$1,038.48	\$1,038.48
*The 10% surcharge increases during each six-month period after the agreed upon discharge date.			
Non-federal Share (10/1/26 – 6/30/27)			
a. Up to agreed upon discharge date	\$930.87	\$930.87	\$930.87
b. After agreed upon discharge date	\$1,023.96	\$1,023.96	\$1,023.96
*The 10% surcharge increases during each six-month period after the agreed upon discharge date.			
Non-typical Services Add-On	\$250.00	\$250.00	\$250.00

Send questions or concerns about this memo to DHSWEBMAILDCTS@dhs.wisconsin.gov.