

## **LABORATORIES TERMS OF REIMBURSEMENT**

The Wisconsin Department of Health Services (DHS) will establish maximum allowable reimbursement rates for all covered laboratory procedures or groups of laboratory procedures. The maximum allowable rates shall be based on various factors including a review of usual and customary charges submitted to Wisconsin Medicaid, the Wisconsin State Legislature's Medicaid budgetary constraints, and other relevant economic limitations. Maximum rates for multiple lab tests, which are commonly performed as a panel or profile for the same patient on the same day, may be limited to the reimbursement rates for the panel or profile. In addition, maximum rates for all laboratory procedures may be adjusted to reflect reimbursement limits or limits on the availability of federal funding specified in federal law.

For each covered laboratory procedure or service, DHS shall pay the lesser of a provider's usual and customary charge or the maximum rate established by DHS.

Providers are required to bill their usual and customary charges for services provided, that charge being the amount charged by the provider for the same service when provided to non-Medicaid patients, as defined by Wis. Admin. Code § [DHS 101.03\(181\)](#). For providers who have not established usual and customary charges, the charge should be reasonably related to the provider's cost for providing the service.

DHS shall adjust payments made to providers to reflect the amounts of any allowable copays that providers are required to collect pursuant to Wis. Stat. ch. 49.

Payments for deductibles and coinsurance payable on an assigned Medicare claim shall be made in accordance with Wis. Stat. § 49.46(2)(c).

In accordance with federal regulations contained in 42 C.F.R. § 447.205, DHS will provide public notice in advance of the effective date of any significant proposed change in its methods and standards for setting payment rates for services.

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Wisconsin  
Department of Health Services