

## **MEDICAL SUPPLY AND EQUIPMENT VENDOR TERMS OF REIMBURSEMENT**

The Wisconsin Department of Health Services will establish maximum allowable fees for all covered durable medical equipment (DME) and disposable medical supplies provided to Wisconsin Medicaid and BadgerCare Plus members eligible on the date of service.

The maximum allowable fees for DME and disposable medical supplies shall be established upon a review of various factors. These factors include a review of usual and customary charges submitted to Wisconsin Medicaid and BadgerCare Plus; cost, payment, and charge information from companies that provide DME and disposable medical supplies; Medicaid payment rates from other states; and the current Medicare fee schedule. Other factors taken into consideration include the Wisconsin State Legislature's Medicaid budget constraints, limits on the availability of federal funding as specified in federal law, and other relevant economic and reimbursement limitations. Maximum allowable fees may be adjusted periodically.

Providers are required to bill their usual and customary charges for equipment, supplies, and services provided. The usual and customary charge is the amount charged by the provider for the same equipment, supplies, or services 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.

Covered DME and disposable medical supplies shall be reimbursed at the lower of the provider's usual and customary charge or the maximum allowable fee established by the Department of Health Services. Medicaid reimbursement, less appropriate copays and payments by other insurers, will be considered payment in full.

When BadgerCare Plus reimburses the provider for any portion of the DME charges, the provider may balance bill the member for the remainder of the BadgerCare Plus allowed reimbursement rate. This will be considered payment in full.

The Department of Health Services will adjust payments made to providers to reflect the amounts of any allowable copays that the 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, the Department of Health Services will provide public notice in advance of the effective date of any significant proposed change in its methods and standards for setting maximum allowable fees for services.

P-01667 (10/2021)



Wisconsin  
Department of Health Services