

MENTAL HEALTH / SUBSTANCE ABUSE SERVICES TERMS OF REIMBURSEMENT

For mental health and/or substance abuse outpatient services (including services provided by psychiatrists, Ph.D. psychologists, Master's-level psychotherapists, substance abuse counselors, advanced practice nurse prescribers with psychiatric specialty, narcotic treatment service nurses, qualified treatment trainees, and overdose treatment provider agencies), mental health day treatment for adults, substance abuse day treatment, and HealthCheck Other Services in the mental health and/or substance abuse areas:

The Wisconsin Department of Health Services (DHS) will establish maximum allowable fees for all covered services provided to Medicaid members eligible on the date of service. The maximum allowable fees shall be based on various factors, including a review of usual and customary charges submitted to Wisconsin Medicaid, the Wisconsin Legislature's Medicaid budgetary constraints, and other relevant economic limitations. Maximum allowable fees may be adjusted to reflect reimbursement limits or limits on the availability of federal funding as specified in federal law.

For each covered service, DHS shall pay the lesser of a provider's usual and customary charge or the maximum allowable fee established by DHS. Medicaid reimbursement, minus appropriate copays and payments by other insurers, will be considered payment in full.

For crisis intervention services, community support program services, comprehensive community services, and mental health and/or substance abuse outpatient services in the home or community:

DHS will establish contracted rates for all covered services provided to Medicaid members eligible on the date of service. The contracted rates are applicable to all service components provided for certified agencies by providers under contract to that agency. The contracted rates shall be based on various factors, including provider costs submitted to Wisconsin Medicaid, the Wisconsin Legislature's Medicaid budgetary constraints, and other relevant economic limitations. Contracted rates may be adjusted to reflect reimbursement limits or limits on the availability of federal funding as specified in federal law.

For comprehensive community services provided by regional comprehensive community service providers, providers will receive the federal and non-federal share of allowable costs. For all other services, providers will be reimbursed by Wisconsin Medicaid only for that portion of allowable costs for which federal financial participation is available. The state share will come from non-federal funds or federal funds authorized for use as a match to other federal funds available to the agency. The agency will be responsible for maintaining an audit trail to document their contribution of the state share.

Providers are required to bill their usual and customary charges for services provided. The usual and customary charge is 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 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 deductible 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 rates for services.

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WISCONSIN DEPARTMENT
of **HEALTH SERVICES**