

CORRECTIONAL FACILITY TERMS OF REIMBURSEMENT

The Wisconsin Department of Health Services (DHS) will establish maximum allowable fees for all correctional facility services provided to Wisconsin 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 State 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.

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.

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, less appropriate copays and payments by other insurers, will be considered payment in full.

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 maximum allowable fees for services.

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WISCONSIN DEPARTMENT
of **HEALTH SERVICES**