

To:

School-Based
Services
Providers

HMOs and Other
Managed Care
Programs

School-based services providers receive additional reimbursement

Wisconsin Medicaid currently reimburses school-based services (SBS) providers 60% of federal funding received to pay claims for school-based services. The remaining 40% of federal funding is deposited in the State General Fund because of the state's contribution to special education in public schools.

1999 Wisconsin Act 9, the 1999-2001 Biennial Budget, directs Wisconsin Medicaid to reimburse SBS providers 90% of federal funding received in excess of \$16.1 million for these two state fiscal years. (The \$16.1 million includes both the funds paid to SBS providers and the funds retained by the state.)

State fiscal year 2000 (July 1, 1999, through June 30, 2000)

In state fiscal year 2000 (July 1, 1999, through June 30, 2000), Wisconsin Medicaid received a total of \$28.8 million of federal funding (of which \$17.3 million was paid to SBS providers) to pay claims for school-based services. This amount is \$12.7 million over the \$16.1 million threshold. Therefore, in addition to receiving the 60% of the federal share for claims paid in

state fiscal year 2000, SBS providers will receive an additional 30% reimbursement of the federal share for the excess amount of \$12.7 million.

Wisconsin Medicaid will *proportionately distribute \$3.8 million to SBS providers* based on the amount they received for SBS claims reimbursed by Wisconsin Medicaid in state fiscal year 2000. For example, School District X received \$500,000 in reimbursed claims, which was 2.9% of all SBS claims reimbursed in state fiscal year 2000. Therefore, School District X would receive 2.9% of the excess amount, which would be \$110,200 additional reimbursement.

Wisconsin Medicaid will send the additional 30% reimbursement to SBS providers by September 2000. It is not necessary for school districts and Cooperative Educational Service Agencies (CESAs) to take action to receive this reimbursement. An explanation of benefits (EOB) message stating "132 - Payment is to satisfy amount owed by Medicaid fiscal agent" will appear on the Remittance and Status Report along with any other claim's payments.

State fiscal year 2001 (July 1, 2000, through June 30, 2001)

This same procedure will also be used next fiscal year. School-based services providers will receive an additional 30% reimbursement of SBS federal funding received in excess of \$16.1 million in state fiscal year 2001 (July 1, 2000, through June 30, 2001). This payment will be made to SBS providers by September 2001 for claims reimbursed in state fiscal year 2001. To ensure your school district will receive as much reimbursement as possible, your claims must be submitted *and* reimbursed by June 30, 2001. Wisconsin Medicaid generally processes claims and adjustment requests within 30 days of receipt.

The *Wisconsin Medicaid and BadgerCare Update* is the first source of program policy and billing information for providers.

Although the *Update* refers to Medicaid recipients, all information applies to BadgerCare recipients also.

Wisconsin Medicaid and BadgerCare are administered by the Division of Health Care Financing, Wisconsin Department of Health and Family Services, P.O. Box 309, Madison, WI 53701-0309.

For questions, call Provider Services at (800) 947-9627 or (608) 221-9883 or visit our Web site at www.dhfs.state.wi.us/medicaid/.