

## ADMINISTRATIVE RULES

### Fiscal Estimate & Economic Impact Analysis

<b>1. Type of Estimate and Analysis</b> <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected	<b>2. Date</b> 1/3/2025
<b>3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable)</b> DHS 105 - Provider certification; DHS 107 - Covered services.	
<b>4. Subject</b> Prenatal care coordination and child care coordination service provider certification and covered services.	
<b>5. Fund Sources Affected</b> <input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	<b>6. Chapter 20, Stats. Appropriations Affected</b>
<b>7. Fiscal Effect of Implementing the Rule</b> <input checked="" type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Could Absorb Within Agency's Budget	
<b>8. The Rule Will Impact the Following (Check All That Apply)</b> <input type="checkbox"/> State's Economy <input checked="" type="checkbox"/> Specific Businesses/Sectors <input type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses (if checked, complete Attachment A)	
<b>9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1).</b> \$50,000 or less (see section 14 regarding background checks)	
<b>10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>11. Policy Problem Addressed by the Rule</b> Prior to November 10, 2023, certified prenatal care coordination ("PNCC") providers in Milwaukee County and the City of Racine were automatically certified as child care coordination ("CCC") service providers, and rules did not specify which specific services were covered under the CCC benefit.  The Department's Office of the Inspector General and Division of Medicaid Services found evidence of fraud in the CCC benefit and determined that lack of specific procedures and rules for the benefit allowed providers to enter the marketplace who were not offering appropriate services. Due to those findings, the Centers for Medicare and Medicaid Services issued a temporary moratorium restricting new enrollments in prenatal care coordination agencies and CCC services. The purpose of the moratorium was to give the Department time to mitigate the potential for fraud in provider enrollment.  The Department determined that creating rules specific to the CCC benefit were necessary to mitigate the potential for fraud. The proposed rules redesign the existing CCC benefit to: (1) Distinguish providers and services from those who solely provide PNCC; (2) Carve CCC into managed care; (3) augment provider qualifications to be specific to CCC services; (4) Improve the definition of CCC covered services; (5) clarify and streamline policy; and (6) Create requirements to help mitigate benefit fraud, waste, and abuse.  In addition to distinguishing between the PNCC and CCC benefit, the Department further proposes to revise PNCC rule provisions to improve the definition of PNCC covered services, clarify, streamline, and enhance policy, and support requirements to help mitigate benefit fraud, waste, and abuse.	
<b>12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments.</b> Those who provided informal consultations on the creation of the proposed rule changes are a mix of county governments and tribal nations as well as clinics and providers who offer the PNCC benefit.	

## ADMINISTRATIVE RULES

### Fiscal Estimate & Economic Impact Analysis

---

13. Identify the Local Governmental Units that Participated in the Development of this EIA.  
Not applicable - no comments regarding the economic impact were received.

---

14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

No fiscal impact is estimated as there is no expected additional cost or savings for this project and no anticipated change in utilization or reimbursement.

There will be a small cost for providers to perform background checks on qualified professionals and additional documentation requirements.

---

15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

An alternative is not to pursue an administrative rule and to resume certifying providers, which does not address the identified risk for fraud, waste, and abuse within the program. A temporary moratorium placed on PNCC provider certification for CCC services and the imposition of a payment integrity review (PIR) on all CCC claims starting in November 2023 have caused a great reduction in claims, in both claims submitted and claims reimbursed. Beyond disrupting the provision of needed services, continuing not to certify providers is not a sustainable option as there is no additional time permitted under the federally granted enrollment moratorium.

The policy redesign will be more specific to the needs of the target population of CCC services to reflect improved understanding of how best to meet the needs of recipients and requirements of quality providers.

---

16. Long Range Implications of Implementing the Rule

Reduction of benefit fraud, waste, and abuse within the benefits.

---

17. Compare With Approaches Being Used by Federal Government

The federal government has numerous programs that target pregnant persons and persons who recently gave birth such as the Women, Infants, and Children Program (WIC) which offers education and nutritional food.

---

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

Iowa has a similar care coordination program to PNCC for children under 3 years old who are not meeting developmental milestones.

Illinois's better birth outcomes program offers case management services to high-risk pregnant persons as well as connecting them with educational, financial, and other support programs.

There are no administrative code provisions regarding Michigan's coverage of Maternal Infant Health Program, but it is found in their Medicaid Provider Manual, which outlines provision of a program which is similar to PNCC.

Pregnant women are eligible for services under MA under Minn. Stat. ss. 256B.055 subd. 6. and 256B.057 subd. 1. until 12 months postpartum. Minnesota does not appear to have a special program targeted to specific parts of the state like CCC, but "child welfare targeted case management services" are identified in Minn. Stat. s. 256B.094

---

19. Contact Name

Allie Merfeld

20. Contact Phone Number

608-267-4029

Alexandra.Merfeld@dhs.wisconsin.gov

---

This document can be made available in alternate formats to individuals with disabilities upon request.

**ADMINISTRATIVE RULES**  
**Fiscal Estimate & Economic Impact Analysis**

**ATTACHMENT A**

---

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

---

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

---

3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- ☐ Less Stringent Compliance or Reporting Requirements  
☐ Less Stringent Schedules or Deadlines for Compliance or Reporting  
☐ Consolidation or Simplification of Reporting Requirements  
☐ Establishment of performance standards in lieu of Design or Operational Standards  
☐ Exemption of Small Businesses from some or all requirements  
☐ Other, describe:

---

4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

---

5. Describe the Rule's Enforcement Provisions

---

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

☐ Yes    ☐ No

---