



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-0988/P1

KMS:skw

DOA:.....Bollhorst, BB0088 - Rural Health Clinic Reimbursement

FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Medical Assistance payments to rural health clinics

The bill modifies the methodology DHS must use for reimbursing rural health clinics for services provided to Medical Assistance recipients. Currently, DHS reimburses rural health clinics for the reasonable costs of the services they provide. Under the bill, for services provided on or after July 1, 2026, DHS must reimburse rural health clinics using a payment methodology based on the federal Medicaid prospective payment system, which directs that reimbursement be provided to a rural health clinic at a rate that is based upon the rural health clinic's per-visit costs in previous years, adjusted for medical cost inflation and for any change in the scope of services furnished by the rural health clinic. The Medical Assistance program is a joint federal and state program that provides health services to individuals who have limited financial resources.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 49.45 (3h) of the statutes is created to read:

49.45 (3h) PAYMENTS TO RURAL HEALTH CLINICS. (a) For services provided by a rural health clinic on or after the effective date of this paragraph [LRB inserts date], and before July 1, 2026, to a recipient of the Medical Assistance program under this subchapter, the department shall reimburse the rural health clinic

BILL**SECTION 1**

under a payment methodology in effect on July 1, 2025, and in accordance with [42 USC 1396a](#) (bb) (6).

(b) For services provided by a rural health clinic on or after July 1, 2026, to a recipient of the Medical Assistance program under this subchapter, the department shall reimburse the rural health clinic using a payment methodology based on the Medicaid prospective payment system under [42 USC 1396a](#) (bb) (1) to (3). The department shall consult with rural health clinics in developing the payment methodology under this paragraph.

SECTION 2. 49.46 (2) (a) 3. of the statutes is amended to read:

49.46 (2) (a) 3. Rural health clinic services, as provided in s. 49.45 (3h).

(END)