

REPORT HIGHLIGHTS



September 2026 | A-02-24-01020

Wisconsin May Have Improperly Claimed \$455 Million in Medicaid Reimbursement for Its School-Based Program

Why OIG Did This Audit

- HHS-OIG is conducting a series of audits of States that claim Medicaid school-based costs with the assistance of contractors. Prior OIG audits found that States claimed unallowable Federal reimbursement because contractors improperly conducted random moment time studies (RMTSs). An RMTS is a statistical method used to identify the percentage of time personnel spend on a particular activity.
- Wisconsin has an agreement with a contractor to conduct its RMTSs.
- This audit examined whether Wisconsin properly claimed Medicaid reimbursement of \$505.5 million in school-based program services during a 4-year period.

What OIG Found

Wisconsin may have improperly claimed an estimated \$454.9 million in Federal Medicaid reimbursement for its school-based program.

- We estimate that Wisconsin improperly claimed at least \$67 million based on unsupported RMTS coding and services provided by unlicensed providers.
- Wisconsin may have improperly claimed an additional \$387.9 million because it could not provide documentation to support ratios used to allocate costs to Medicaid.
- Wisconsin may have claimed additional unallowable costs because the RMTSs did not sample moments during the beginning of the school year.

What OIG Recommends and Wisconsin's Comments

We made six recommendations to Wisconsin, including that it refund \$67 million in estimated improper reimbursement to the Federal Government and refund \$387.9 million or provide documentation that can reasonably support its allocation ratios. We also made procedural recommendations to assist Wisconsin in preparing accurate and supportable claims. The full recommendations are in the report.

The State agency generally disagreed with our findings, disagreed with some recommendations, and described actions it has taken to improve compliance with Federal requirements. The State agency agreed in part with our first finding, disagreed with our second finding, and did not indicate whether it agreed or disagreed with our third finding.