



FH
[REDACTED]

**STATE OF WISCONSIN
Division of Hearings and Appeals**

In the Matter of

[REDACTED]

DECISION

MGE/146317

PRELIMINARY RECITALS

Pursuant to a petition filed January 3, 2013, under Wis. Stat. § 49.45(5), and Wis. Admin. Code § HA 3.03(1), to review a decision by the Jefferson County Department of Human Services in regard to Medical Assistance (MA), a hearing was held on February 26, 2013, by telephone.

The issue for determination is whether the county agency correctly computed the petitioner's MA deductible for the November 1, 2012 – April 30, 2013, period.

There appeared at that time the following persons:

PARTIES IN INTEREST:

Petitioner:

[REDACTED]

Respondent:

Department of Health Services
1 West Wilson Street
Madison, Wisconsin 53703

By: Cheryl Streich, SSP
Jefferson County Department of Human Services
Workforce Development Center
874 Collins Rd.
Jefferson, WI 53549

ADMINISTRATIVE LAW JUDGE:

Nancy J. Gagnon
Division of Hearings and Appeals

FINDINGS OF FACT

1. Petitioner (CARES # [REDACTED]) is a resident of Jefferson County.
2. The petitioner was certified for Elderly/Blind/Disabled (EBD) MA from May through October 2012, with a \$13,798 deductible. In calculating that deductible, the agency counted monthly

income of \$1,352 from Social Security Disability, \$107.43 from dividends, and \$1,560.90 from Unemployment Compensation (UC). He submitted past medical bills which were enough to meet that rather large deductible.

3. A new MA deductible was calculated for the petitioner for the November 2012 through April 2013 period. The new deductible was based on countable monthly income of \$1,352 in Social Security Disability (which later increased to \$1,375) and \$107.43 from dividends. No UC was counted. The result was a deductible of \$5,086.56.
4. The petitioner was issued a notice on October 19, 2012, which advised that his MA was ending on November 1, 2012, due to excess income. That notice incorrectly counted UC as part of the petitioner's income. On November 21, 2012, a correct notice was issued to the petitioner, which identified his income as being only the Social Security Disability and the dividends, and noting that a \$5,086.56 deductible existed.
5. As of the date of hearing, the petitioner had submitted new medical bills totaling \$3,738.60, leaving \$1,347.96 before the deductible is met. Some of the bills that were counted against the November – April deductible were as follows:

| | |
|-------------------|--------|
| Fort Medical | 541.08 |
| Dr. Thomas Mork | 305.00 |
| Rock River Dental | 45.00 |
| Dean Clinic | 698.00 |
| Rock River Dental | 194.00 |

DISCUSSION

Medical Assistance (MA) is a state-federal program designed to pay for medical coverage for low income persons. To qualify for MA, a person must be both nonfinancially and financially eligible. There is no dispute that the petitioner is nonfinancially eligible (*e.g.*, disabled). To be financially eligible, a person must have assets that are under the program's asset limit, and income that is under the appropriate income limit. Where, as it appeared here, the recipient's income is over the income limit, an MA deductible must be satisfied before MA eligibility begins. Wis. Stat. §49.47(4)(c); Wis. Admin. Code § DHS 103.08(2); *MA Eligibility Handbook (MEH)*, Appendix 24.1, at <http://www.emhandbooks.wisconsin.gov/meh-ebd/meh.htm>. MA deductibles are calculated for six-month periods. To calculate the deductible, the \$591.67 "medically needy" income amount is subtracted from the household's income (less a \$20 unearned income disregard), and the remainder is multiplied by six.

The petitioner was in a household of one person, so the agency used the relevant income limits for that household size. *E.g.*, \$591.67 for MA certification. *MEH*, 39.4. Because the petitioner's income was over the limit, the agency correctly determined that he must satisfy a deductible before his MA coverage can be resumed. The deductible should be \$5,086.56 for six months. The calculation looks like this:

| | | |
|---------------------------------|---------------------|-----------------|
| Monthly gross income | \$1,352 + \$107.43= | \$1459.43 |
| Minus unearned income disregard | | - 20.00 |
| Minus Medically Needy limit | | - <u>591.67</u> |
| Monthly excess income | | 847.76 |
| X 6 months | | <u>x 6</u> |
| Six month deductible | | 5086.56 |

The petitioner does not contest the amounts of Social Security Disability and dividend income used by the agency. He was under the misconception that the agency was still counting his UC. His confusion is

understandable, given that a notice was issued in October that said UC was being counted. However, it ultimately was not counted, and the agency's computation is correct.

CONCLUSIONS OF LAW

1. The agency correctly imposed a \$5,086.56 deductible on the petitioner's EBD MA case for the November, 2012 through April 2013 period.

THEREFORE, it is

ORDERED

That the petition is dismissed.

REQUEST FOR A REHEARING

This is a final administrative decision. If you think this decision is based on a serious mistake in the facts or the law, you may request a rehearing. You may also ask for a rehearing if you have found new evidence which would change the decision. Your request must explain what mistake the Administrative Law Judge made and why it is important or you must describe your new evidence and tell why you did not have it at your first hearing. If you do not explain these things, your request will have to be denied.

To ask for a rehearing, send a written request to the Division of Hearings and Appeals, P.O. Box 7875, Madison, WI 53707-7875. Send a copy of your request to the other people named in this decision as "PARTIES IN INTEREST." Your request for a rehearing must be received no later than 20 days after the date of the decision. Late requests cannot be granted.

The process for asking for a rehearing is in Wis. Stat. § 227.49. A copy of the statutes can be found at your local library or courthouse.

APPEAL TO COURT

You may also appeal this decision to Circuit Court in the county where you live. Appeals must be served and filed with the appropriate court no more than 30 days after the date of this hearing decision (or 30 days after a denial of rehearing, if you ask for one).

For purposes of appeal to circuit court, the Respondent in this matter is the Department of Health Services. After filing the appeal with the appropriate court, it must be served on the Secretary of that Department, either personally or by certified mail. The address of the Department is: 1 West Wilson Street, Madison, Wisconsin 53703. A copy should also be sent to the Division of Hearings and Appeals, 5005 University Avenue, Suite 201, Madison, WI 53705-5400.

The appeal must also be served on the other "PARTIES IN INTEREST" named in this decision. The process for appeals to the Circuit Court is in Wis. Stat. §§ 227.52 and 227.53.

Given under my hand at the City of Madison,
Wisconsin, this 27th day of February, 2013

\sNancy J. Gagnon
Administrative Law Judge
Division of Hearings and Appeals



State of Wisconsin\DIVISION OF HEARINGS AND APPEALS

David H. Schwarz
Suite 201
5005 University Avenue
Madison, WI 53705-5400

Telephone: (608) 266-3096
FAX: (608) 264-9885
email: DHAmail@wisconsin.gov
Internet: <http://dha.state.wi.us>

The preceding decision was sent to the following parties on February 27, 2013.

Jefferson County Department of Human Services
Division of Health Care Access and Accountability