



STATE OF WISCONSIN  
Division of Hearings and Appeals

In the Matter of



DECISION

MGE/152257

**PRELIMINARY RECITALS**

Pursuant to a petition filed September 21, 2013, under Wis. Stat. § 49.45(5), and Wis. Admin. Code § HA 3.03(1), to review a decision by the Milwaukee Enrollment Services in regard to Medical Assistance, a hearing was held on October 24, 2013, at Milwaukee, Wisconsin.

The issue for determination is whether Milwaukee Enrollment Services (the agency) correctly determined that Petitioner would be eligible for Medicaid with a \$2,329.98 deductible.

There appeared at that time and place the following persons:

**PARTIES IN INTEREST:**

Petitioner:



Also present:  Esperanza Unida

Respondent:

Department of Health Services  
1 West Wilson Street  
Madison, Wisconsin 53703  
By: Katherine May, HSPC Sr.  
Milwaukee Enrollment Services  
1220 W Vliet St  
Milwaukee, WI 53205

**ADMINISTRATIVE LAW JUDGE:**

Mayumi M. Ishii  
Division of Hearings and Appeals

**FINDINGS OF FACT**

1. Petitioner (CARES # ) is a resident of Milwaukee County.

2. On September 18, 2013, the agency sent Petitioner a notice indicating that as of October 1, 2013, she would not be enrolled in Medicaid, but that she could become eligible for the six month period between October 1, 2013 and March 31, 2014, if she met a \$2,329.00 deductible. (Exhibit 2, pgs. 9-15)
3. Petitioner filed a request for fair hearing that was received by the Division of Hearings and Appeals on September 21, 2013.
4. In July 2013, Petitioner's husband passed away. As a result, effective October 1, 2013, Petitioner began receiving \$1000 per month in Social Security Widow's benefits. (Testimony of Petitioner)
5. Petitioner pays \$550 per month in rent. (Id; Exhibit 2, pg. 12)

### **DISCUSSION**

Social Security income is considered when determining eligibility for healthcare/Medicaid. *Medicaid Eligibility Handbook (MEH) §15.4.10*. In determining eligibility there is a general deduction from reported income of \$20. *MEH §15.3.8 General Income Disregard*.

The categorically needy income limit is \$549.11 + actual shelter costs up to \$232.67. (For Petitioner this limit would be \$549.11 + \$232.67 = \$781.78) *MEH §39.4.1 - EBD Assets and Income Table*. The medically needy income limit for a household of one is \$591.67. *Id*.

If an individual does not meet the categorically needy income limit, her income is compared to the medically needy income limit. If the individual's income falls between the two income limits, he is eligible for Medicaid. *MEH §24.1*

Petitioner did not dispute the fact that she receives \$1000.00 per month in Social Security Widow's benefits. If one subtracts the \$20 general deduction, the income considered for Petitioner is \$980.00. This is over the \$781.78 categorically needy income limit and it is over the \$591.67 medically needy income limit.

"When a Medicaid applicant is ineligible for Medicaid solely because he has income that exceeds the Medicaid medically needy income limit, he can become eligible by meeting the Medicaid deductible." *MEH §24.2* "The Medicaid deductible is the group's total excess monthly income over the 6 consecutive months of the Medicaid deductible period." *Id*. "Excess monthly income" is defined as the amount of income above the medically needy income limit. *Id*. In Petitioner's case the agency calculated the deductible as follows:

$$\$980.00 (\$1000 \text{ less } \$20 \text{ disregard}) - \$591.67 = \$388.33 \text{ excess monthly income}$$

$$\$388.33 \times 6 \text{ months} = \$2329.98 \text{ deductible}$$

Thus, the agency correctly determined Petitioner would be eligible for Medicaid benefits, only if she met a \$2,329.98 deductible.

#### *Other Information*

Wisconsin Medicaid law will change significantly, effective January 1, 2013. On that date, a person is eligible for Wisconsin Medicaid if his income is at or below 100% of the federal poverty level; it will no longer be necessary that a recipient be under 19, elderly, blind, disabled, or a caretaker relative. The January 2014 version of Medicaid may be applied for online from November 18, 2013 onward at Wisconsin's website, <https://access.wisconsin.gov>.

A person may also apply for subsidized private health insurance with coverage beginning effective January 1, 2014 (if you enroll by December 15, 2013). Late enrollments will be allowed until March 31, 2014, but will not be retroactive. Enrollment can be accomplished via the federal website, <https://www.healthcare.gov> or through the federal call center at 1-██████████. When applying, the program will want to know the petitioner's tax household's adjusted gross income for the last tax filing year. If things are working properly, the program should be able to see the household's adjusted gross income for the prior year via a federal "data hub." That income information will be used to assign a percentage of poverty level to the household, which in turn is used to calculate the amount of the premium subsidy that will be provided. A household at 101% of the federal poverty level (FPL), and which picks a "silver" insurance plan, will pay no more than 2% of gross income for its premium, as the rest will be covered by the subsidy. The subsidy percentage tapers off as income rises. A household at 399% FPL, which picks a "silver" plan, will pay no more than 9.5% of its income for its premium.

When shopping for insurance via phone or website, the buyer will have a choice of plans labeled with various "medal" colors. Each color represents a different level of shared responsibility between the insurer and the insured for medical bills incurred. The breakdown is: Platinum-90% insurer/10% patient, Gold-80% insurer/20% patient, Silver-70/30, and Bronze-60/40. The idea behind this stratification is to allow the consumer to see "apples-to-apples" insurance comparisons. The patient's premium cost for a Platinum or Gold plan will be more than the percentages stated in the prior paragraph for a Silver plan.

The various insurance plans may also have varying co-payments and deductibles. If a household's income is below 250% FPL (\$2393.75 for a household of one) there will also be a subsidy to help pay co-payments and deductibles. This subsidy is called a "cost sharing reduction" or CSR.

Looking at the insurance commissioner's website, the following insurers will be available in parts (in some cases, all) of Wisconsin: Common Ground Healthcare Cooperative, CompCare Health Services Insurance Corporation, Dean Health Plan Inc., Group Health Cooperative of South Central Wisconsin, Gundersen Health Plan Inc., Health Tradition Health Plan, Medica Health Plans of Wisconsin, MercyCare HMO Inc., Molina Healthcare of Wisconsin Inc., Physicians Plus Insurance Corporation, Security Health Plan of Wisconsin Inc., Unity Health Plans Insurance Corp., and Arise (WPS).

### **CONCLUSIONS OF LAW**

The agency correctly determined that Petitioner would be eligible for Medicaid only if she met a \$2329.98 deductible.

**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 Milwaukee,  
Wisconsin, this 5th day of November, 2013

---

\sMayumi M. Ishii  
Administrative Law Judge  
Division of Hearings and Appeals



**State of Wisconsin\DIVISION OF HEARINGS AND APPEALS**

Brian Hayes, Administrator  
Suite 201  
5005 University Avenue  
Madison, WI 53705-5400

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

The preceding decision was sent to the following parties on November 5, 2013.

Milwaukee Enrollment Services  
Division of Health Care Access and Accountability