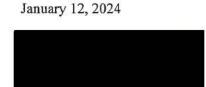


State of Wisconsin\DIVISION OF HEARINGS AND APPEALS

Brian Hayes, Administrator 5th Floor North 4822 Madison Yards Way Madison, WI 53705

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Shanay Neal Milwaukee Enrollment Services 1220 W Vliet St Milwaukee, WI 53205

RE:

Case No. BCS - 210387

Dear Parties:

Enclosed is a copy of the Final Decision in the above-referenced matter.

Sincerely,

Shannon Buboltz Legal Associate Supervisor

c: Miles - email Division of Health Care Access and Accountability - email



FH

STATE OF WISCONSIN Department of Health Services

In the Matter of

DECISION Case #: BCS - 210387

The attached proposed decision of the hearing examiner dated November 17, 2023, is modified as follows and, as such, is hereby adopted as the final order of the Department.

PRELIMINARY RECITALS

Pursuant to a petition filed on September 20, 2023, under Wis. Stat. § 49.45(5)(a), to review a decision by the Milwaukee Enrollment Services regarding Medical Assistance (MA) – BadgerCare+, a hearing was held on October 31, 2023, by telephone. The record was held open for the petitioner to submit additional information (photos of the front entrance to the home), which was submitted within 1 day.

The issue for determination is whether the Department correctly discontinued the petitioner's BadgerCare Plus due to countable income in excess of program limits.

There appeared at that time the following persons:

PARTIES IN INTEREST:

Petitioner:



Respondent:

Department of Health Services 1 West Wilson Street, Room 651 Madison, WI 53703

> By: Shanay Neal Milwaukee Enrollment Services 1220 W Vliet St Milwaukee, WI 53205

ADMINISTRATIVE LAW JUDGE: Kenneth D. Duren Division of Hearings and Appeals

FINDINGS OF FACT

- 1. Petitioner (CARES # ______) is a 39-year-old resident of Milwaukee County. He was eligible for MA-BadgerCare in March 2020, and he remained continuously eligible for BC+ through at least September 2023, due to the Department's Public Health Emergency/COVID 19 continuation of services order that ran from March 18, 2020 through April 30, 2023. During that time range ongoing cases were continued without periodic reviews.
- MA coverage under the Health Emergency/COVID 19 continuation of services order began to again be subject to renewal and means-testing in the first annual review due after termination of the continuation order on April 30, 2023. This process was known in MA parlance as "unwinding" the continuation of benefits order effective during the public health emergency.
- 3. The petitioner's MA-BC+ case was scheduled for renewal by August 31, 2023, but the Department extended his renewal period to September 30, 2023.
- 4. The petitioner submitted a renewal application on or about August 17, 2023. The case was pended for information concerning the petitioner's earned income.
- 5. Soon thereafter, the agency received the petitioner's pay stubs from dated August 4, 2023, and August 18, 2023. He is paid bi-weekly for cares he provides to his mother. Based upon his paystubs, [as generally corroborated by his year-to-date ("YTD") gross pay on the latter stub of \$35,859.91] the agency determined that his gross income is \$4,272.48 per month.
- 6. The petitioner's gross income for MA-BC+ purposes was comprised of 50 hours per biweekly pay period at \$14 per hour of Live-In care provider services (or \$1,400 per month); plus 79.88 hours per biweekly pay period at \$17.98 per hour of Non Live-In care provider services (or \$2,872.48 per month). \$1,400 + \$2,872.48 = \$4,272.48 per month of gross income for MA-BC+ computations. See, Exhibit #1, the attached Detailed Wage Information screen; and see, Exhibit #4 ("Individual Supports and Services Plan") at pp. 2 & 3. See also, Exhibit #1, attached petitioner's paystubs from dated August 4, 2023, and August 18, 2023.
- 7. The net monthly income limit for MA-BC+ for a 1-person household is \$1,215.
- On or about August 25, 2023, the Department issued a Notice to the petitioner informing him that his MA-BC+ would end, effective October 1, 2023, because his income exceeded the program's income limits.
- 9. On or about September 7, 2023, the petitioner sought to meet with agency personnel to get his MA-BC+ restored. He asserted that as a live-in personal care provider for his elderly mother and all his income should be exempted when determining his MA-BC+ eligibility.
- 10. The petitioner's mother, **Sector**, is an ongoing recipient of MA Waivers program known as "I Respect, I Self-Direct" or "IRIS". Petitioner is her primary care provider.
- 11. The agency investigated the petitioner's status as a "live-in personal care worker." A worker contacted his landlord and was informed that the petitioner and his mother live in a duplex residence. Each unit possesses an address number. He lives in the upper duplex unit, and she lives in the lower duplex unit. They each have attributable expenses from their units which are reported in their respective public assistance cases. The agency worker informed the petitioner that *BadgerCare+ Eligibility Handbook*,

at §16.2, item #47, specifies that to disregard the IRIS earned income he receives, the provider must live-in the same residence as the IRIS member for whom they are providing care. In the petitioner's situation, the agency worker determined that he lives in a separate residence from his mother.

- 12. The petitioner replied that he had an Internal Revenue Service document that supported his assertion that he lived with his mother, and the income was exempt for MA-BC+ purposes. He was advised to submit the form, and the agency would review it. He was also advised verbally that he could file a fair hearing request.
- 13. Each of the two duplex units have a kitchen and a bathroom. The home has one front entrance. It also has a side entrance, apparently accessing the basement, though that is unclear on the record. The petitioner shouts or calls down the interior staircase (at the side-door entrance internal staircase) that is between the two units to ask his mother if she needs assistance. He was unclear whether his unit has a door that closes and her unit has a door that closes, on each end of the stairs between the two units.
- 14. On or about September 20, 2023, the petitioner filed an appeal with the Division of Hearings & Appeals contesting the agency's denial of a live-in care provider exemption for the earned income he is paid for caring for his mother's needs as an IRIS recipient.
- 15. On September 26, 2023, the agency computed the petitioner's eligible for MA-BC+ finding that his earnings were \$4,272.48 per month for MA purposes; that he did not qualify for the live-in care provider exemption of income; and that he would be ineligible for MA-BC+ effective October 1, 2023, due to countable income in excess of the \$1,215 gross income limit for a 1 person household.

DISCUSSION

The gross income limit for a single person recipient of MA-BC+ is \$1,215 per month. *BadgerCare Plus Handbook*, § 50.1; and see, *Ibid*, § 16.1.1. Here, at renewal the agency determined that the petitioner had income in excess of program limits.

However, the *BadgerCare Plus Handbook*, at § 16.2, provides for the following exemption from income for live-in care providers:

18. Live-in care providers

The IRS requires live-in care providers to include the income paid to their self-employment business when it is reported on a 1099 form. When that income meets the required conditions (see <u>SECTION 16.2 INCOME TYPES NOT COUNTED</u>, #45 LIVE-<u>IN CARE PROVIDERS</u>), the providers are allowed to list all of that 1099 income as an expense in Part V of their Schedule C. Likewise, the self-employment income of the care provider has to be counted for EBD Medicaid and other IM programs. To disregard the self-employment income for BadgerCare Plus, the case should receive a tax deduction amount equal to the income.

16.2, at #47 (The citation to #45 in subsection 18 "Live-in care providers" quoted above was erroneous. It is *BadgerCare Plus Handbook*, § 16.2, at #47.)

BadgerCare Plus Handbook, § 16.2, at #47, states as follows:

3

47. Live-In Care Providers

Certain payments received by live-in care providers who provide care to someone enrolled in an HCBW program are not counted for BadgerCare Plus under MAGI budgeting rules. Live-in care providers are typically paid as employees, but some may be self-employed. They may be related to or not related to the person receiving care. In order to not be counted, payments to live-in care providers must meet all of the following criteria:

- The payments are for HCBW services provided to a member enrolled in one of the following HCBW programs:
 - CLTS waiver programs
 - Community Integration Program I (CIP 1A and CIP 1B)
 - Community Integration Program II (CIP II)
 - Community Options Program Waiver (COP-W)
 - Family Care
 - Family Care Partnership
 - IRIS
 - PACE
- The payments are made to a live-in care provider for services provided to an HCBW member under the member's written HCBW plan of care. Payments made for skilled services that only a nurse or other health professional may perform are not eligible for this exemption.
- The payments are made to a live-in care provider for services provided while the care provider and the HCBW member are living in the same home. The live-in care provider may be related to or not be related to the HCBW member.
- The live-in care provider is not providing care to more than 10 people younger than age 19 at the same time or five people age 19 or older at the same time.

If the payments received by the live-in care provider meet all of these criteria, they are not counted when determining eligibility for BadgerCare Plus. If the payments received by the live-in care provider do not meet all of these criteria, the payments must be treated like other countable earnings or self-employment income.

(ALJ's note: Portions italicized here, for emphasis.)

Here, the agency has failed to request that the petitioner complete DMS Form F-02193 "VERIFYING TAX-EXEMPT INCOME FOR LIVE-IN CARE PROVIDERS." See, *DMS Operations Memo* 17-41 at p. 3 of 4 directing the use of this form. Then, if questions remain, agency workers can request additional verification. Rather, the agency workers treated the petitioner's claim for exemption of live-in care provider income as questionable and made inquiries with the petitioner about his living arrangement with his mother.

In any event, most of that requisite attestation by the petitioner is supplied via his testimony and Exhibits #5 - #8 (DHS Form F-01201A "IRIS PARTICIPANT-HIRED WORKER RELATIONSHIP IDENTIFICATION"; IRS W-4(________); Wisconsin WT-4 form (_______; and "LIVE-IN Form from _______ as "employer." (ALJ's Note: instead of a _______)

I have reviewed the evidence and the Department's live-in care provider BC+ income exemption carefully. The IRIS Care Plan (Exhibit #4, at p. 3) makes it clear that the petitioner is paid under the plan for Live-In care provider service hours of 50 hours per bi-week at the rate of **\$14.00** per hour. See also, Exhibit #1, the

attached Detailed Wage Information screen. This totals \$1,400 per month of countable MA gross income.

The same IRIS Care Plan directs that the petitioner also be paid part of 44.75 hours per week (together with another care provider named **S17.98** per hour. The IRIS Care Plan (Exhibit #4, at p. 2). The aforementioned Exhibit #1, the attached Detailed Wage Information screen demonstrates that the petitioner was determined to be working (based upon paystubs for the preceding 30 days) 79.88 hours per bi-weekly pay period at the rate of \$17.98 per hour. **This totals \$2,872.48 per month of countable MA gross income.**

While the IRIS Care Plan distinguishes Live-In care provider service hours from Non Live-In care provider service hours there is no testimony or exhibit to support how or why this distinction was made, or whether petitioner's living arrangement impacted the determination.

Instead, the Department must use modified adjusted gross income (MAGI) rules when making eligibility determinations for BadgerCare Plus. See, *BadgerCare Plus Handbook*, § 2.3. Under MAGI rules, all taxable income is counted as income when determining BadgerCare Plus eligibility. *Ibid*, § 16.1.2. Thus, the question is whether payments made to petitioner for care provider service hours are counted as income under MAGI rules.

On January 3, 2014, the Internal Revenue Service issued Notice 2014-7 to provide guidance on the federal income tax treatment of certain payments to individual care providers for the care of eligible individuals under a state Medicaid Home and Community-Based Services waiver program described in section 1915(c) of the Social Security Act. See, *Notice 2014-7, 2014-4 I.R.B. 445*. Notice 2014-7 provides that qualified Medicaid waiver payments will be treated as difficulty of care payments and are excludable from gross income. See, *Ibid*.

"For purposes of this notice, qualified Medicaid waiver payments are payments made by a state or political subdivision thereof, or an entity that is a certified Medicaid provider, under a Medicaid waiver program to an individual care provider for nonmedical support services provided under a plan of care to an eligible individual (whether related or unrelated) living in the individual care provider's home." Ibid. The provider's home means the place where the provider resides and regularly performs the routines of the provider's private life, such as shared meals and holidays with family. See, *Stromme v. Commissioner*, 138 T.C. 213 (2012).

The findings of fact show that petitioner's mother is an ongoing recipient of IRIS, a Medicaid Home and Community-Based Services waiver program, and that petitioner is her primary care provider. Petitioner and his mother reside in separate units of a duplex residence. It is unclear how the units are separated. Each unit possesses an address number, and each unit includes a kitchen and a bathroom. Petitioner and petitioner's mother each have attributable expenses from their units which are reported in their respective public assistance cases. The IRS W-4 form and Wisconsin WT-4 form entered as exhibits indicate petitioner's tax filing status as single, not as head of household with a qualifying individual.

The findings of fact support that the place where petitioner actually lives and performs the routines of his private life is separate from the place where petitioner's mother lives and performs the routines of her private life. Petitioner's mother is not living in the petitioner's household. Therefore, the payments made to petitioner for care provider service hours cannot be considered qualified Medicaid waiver payments and are not excludable from gross income when determining eligibility for BadgerCare Plus.

Nothing in this decision alters the care arrangements the petitioner has made with IRIS, GT Independence and his mother. Rather, only the petitioner's BC+ coverage is affected.

In addition, nothing in this decision prevents the petitioner from applying for BC+ again in the future and marshaling evidence to attempt to demonstrate that he is eligible for the exemption for both income streams *and* that is countable non-exempt income is less than the BC+ income limit for 1 person. On this record, he has failed to do so.

Likewise, in the event of a re-application, the agency would be well-advised to fully utilize the department's required forms and verification procedures to fully assess whether his income is exempt for the Live-In Care Provider exemption. See also, DMS Form F-02193 "VERIFYING TAX-EXEMPT INCOME FOR LIVE-IN CARE PROVIDERS." And see, *DMS Operations Memo* 17-41 at p. 3 of 4 directing the use of this form. A request for a tax return may also be advisable in that scenario.

CONCLUSIONS OF LAW

That the Department has correctly discontinued the petitioner's BC+ effective October 1, 2023, due to countable non-exempt income in excess of the program limit for a household of 1 person. The petitioner's gross income of \$4,272.48 per month for care provider services was not exempt and exceeded the program income limit. See, *BadgerCare Plus Handbook*, § 50.1; and see, *Ibid*, § 16.1.1.

THEREFORE, it is

ORDERED

This decision is adopted by the Secretary of the Department of Health Services as a final decision, the petitioner's appeal is dismissed in its entirety.

REQUEST FOR A REHEARING

You may request a rehearing if you think this decision is based on a serious mistake in the facts or the law or if you have found new evidence that would change the decision. Your request must be received within 20 days after the date of this decision. Late requests cannot be granted.

Send your request for rehearing in writing to the Division of Hearings and Appeals, 4822 Madison Yards Way, Madison, WI 53705-9100 and to those identified in this decision as "PARTIES IN INTEREST". Your rehearing request must explain what mistake the Administrative Law Judge made and why it is important or you must describe your new evidence and explain why you did not have it at your first hearing. If your request does not explain these things, it will be denied.

The process for requesting a rehearing may be found at Wis. Stat. § 227.49. A copy of the statutes may be found online or 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 filed with the Court and served either personally or by certified mail on the Secretary of the Department of Health Services, 1 West Wilson Street, Room 651, Madison, WI, 53703, and on those identified in this decision as "PARTIES IN INTEREST" no more than 30 days after the date of this decision or 30 days after a denial of a timely rehearing request (if you request one).

The process for Circuit Court Appeals may be found at Wis. Stat. §§ 227.52 and 227.53. A copy of the statutes may be found online or at your local library or courthouse.

Given under my hand at the City of Madison, Wisconsin, this 12^{Th} day of 3024.

Kirsten L. Johnson, Secretary-Designee Department of Health Services



STATE OF WISCONSIN Division of Hearings and Appeals

In the Matter of



PROPOSED DECISION

Case #: BCS - 210387

PRELIMINARY RECITALS

Pursuant to a petition filed on September 20, 2023, under Wis. Stat. § 49.45(5)(a), to review a decision by the Milwaukee Enrollment Services regarding Medical Assistance (MA) – BadgerCare+, a hearing was held on October 31, 2023, by telephone. The record was held open for the petitioner to submit additional information (photos of the front entrance to the home), which was submitted within 1 day.

The issue for determination is whether the Department correctly discontinued the petitioner's BadgerCare Plus due to countable income in excess of program limits.

There appeared at that time the following persons:

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Petitioner:



Respondent:

Department of Health Services 1 West Wilson Street, Room 651 Madison, WI 53703 By: Shanay Neal Milwaukee Enrollment Services 1220 W Vliet St Milwaukee, WI 53205

ADMINISTRATIVE LAW JUDGE: Kenneth D. Duren Division of Hearings and Appeals FH

FINDINGS OF FACT

- 1. Petitioner (CARES # ______) is a 39-year-old resident of Milwaukee County. He was eligible for MA-BadgerCare in March 2020, and he remained continuously eligible for BC+ through at least September 2023, due to the Department's Public Health Emergency/COVID 19 continuation of services order that ran from March 18, 2020 through April 30, 2023. During that time range ongoing cases were continued without periodic reviews.
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- 3. The petitioner's MA-BC+ case was scheduled for renewal by August 31, 2023, but the Department extended his renewal period to September 30, 2023.
- 4. The petitioner submitted a renewal application on or about August 17, 2023. The case was pended for information concerning the petitioner's earned income.
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- 6. The petitioner's gross income for MA-BC+ purposes was comprised of 50 hours per biweekly pay period at \$14 per hour of Live-In care provider services (or \$1,400 per month); plus 79.88 hours per biweekly pay period at \$17.98 per hour of Non Live-In care provider services (or \$2,872.48 per month). \$1,400 + \$2,872.48 = \$4,272.48 per month of gross income for MA-BC+ computations. See, Exhibit #1, the attached Detailed Wage Information screen; and see, Exhibit #4 ("Individual Supports and Services Plan") at pp. 2 & 3. See also, Exhibit #1, attached petitioner's paystubs from dated August 4, 2023, and August 18, 2023.
- 7. The net monthly income limit for MA-BC+ for a 1-person household is \$1,215.
- On or about August 25, 2023, the Department issued a Notice to the petitioner informing him that his MA-BC+ would end, effective October 1, 2023, because his income exceeded the program's income limits.
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receives, the provider must live-in the same residence as the IRIS member for whom they are providing care. In the petitioner's situation, the agency worker determined that he lives in a separate residence from his mother.

- 12. The petitioner replied that he had an Internal Revenue Service document that supported his assertion that he lived with his mother, and the income was exempt for MA-BC+ purposes. He was advised to submit the form, and the agency would review it. He was also advised verbally that he could file a fair hearing request.
- 13. Each of the two duplex units have a kitchen and a bathroom. The home has one front entrance. It also has a side entrance, apparently accessing the basement, though that is unclear on the record. The petitioner shouts or calls down the interior staircase (at the side-door entrance internal staircase) that is between the two units to ask his mother if she needs assistance. He was unclear whether his unit has a door that closes and her unit has a door that closes, on each end of the stairs between the two units.
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- 15. On September 26, 2023, the agency computed the petitioner's eligible for MA-BC+ finding that his earnings were \$4,272.48 per month for MA purposes; that he did not qualify for the live-in care provider exemption of income; and that he would be ineligible for MA-BC+ effective October 1, 2023, due to countable income in excess of the \$1,215 gross income limit for a 1 person household.

DISCUSSION

The gross income limit for a single person recipient of MA-BC+ is \$1,215 per month. *BadgerCare Plus Handbook*, § 50.1; and see, *Ibid*, § 16.1.1. Here, at renewal the agency determined that the petitioner had income in excess of program limits.

However, the *BadgerCare Plus Handbook*, at § 16.2, provides for the following exemption from income for live-in care providers:

18. Live-in care providers

The IRS requires live-in care providers to include the income paid to their selfemployment business when it is reported on a 1099 form. When that income meets the required conditions (see <u>SECTION 16.2 INCOME TYPES NOT COUNTED</u>, #45 LIVE-<u>IN CARE PROVIDERS</u>), the providers are allowed to list all of that 1099 income as an expense in Part V of their Schedule C. Likewise, the self-employment income of the care provider has to be counted for EBD Medicaid and other IM programs. To disregard the self-employment income for BadgerCare Plus, the case should receive a tax deduction amount equal to the income.

16.2, at #47 (The citation to #45 in subsection 18 "Live-in care providers" quoted above was erroneous. It is *BadgerCare Plus Handbook*, § 16.2, at #47.)

BadgerCare Plus Handbook, § 16.2, at #47, states as follows:

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Certain payments received by live-in care providers who provide care to someone enrolled in an HCBW program are not counted for BadgerCare Plus under MAGI budgeting rules. Live-in care providers are typically paid as employees, but some may be self-employed. They may be related to or not related to the person receiving care. In order to not be counted, payments to live-in care providers must meet all of the following criteria:

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 - Family Care Partnership
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- The payments are made to a live-in care provider for services provided to an HCBW member under the member's written HCBW plan of care. Payments made for skilled services that only a nurse or other health professional may perform are not eligible for this exemption.
- The payments are made to a live-in care provider for services provided while the care provider and the HCBW member are living in the same home. The live-in care provider may be related to or not be related to the HCBW member.
- The live-in care provider is not providing care to more than 10 people younger than age 19 at the same time or five people age 19 or older at the same time.

If the payments received by the live-in care provider meet all of these criteria, they are not counted when determining eligibility for BadgerCare Plus. If the payments received by the live-in care provider do not meet all of these criteria, the payments must be treated like other countable earnings or self-employment income.

(ALJ's note: Portions italicized here, for emphasis.)

Here, the agency has failed to request that the petitioner complete DMS Form F-02193 "VERIFYING TAX-EXEMPT INCOME FOR LIVE-IN CARE PROVIDERS." See, *DMS Operations Memo* 17-41 at p. 3 of 4 directing the use of this form. Then, if questions remain, agency workers can request additional verification. Rather, the agency workers treated the petitioner's claim for exemption of live-in care provider income as questionable and made inquiries with the petitioner about his living arrangement with his mother.

In any event, most of that requisite attestation by the petitioner is supplied via his testimony and Exhibits #5 - #8 (DHS Form F-01201A "IRIS PARTICIPANT-HIRED WORKER RELATIONSHIP IDENTIFICATION"; IRS W-4(Constraints); Wisconsin WT-4 form (Constraints); and "LIVE-IN Form from as "employer." (ALJ's Note: instead of a representative.)

I have reviewed the evidence and the Department's live-in care provider BC+ income exemption carefully. The IRIS Care Plan (Exhibit #4, at p. 3) makes it clear that the petitioner is paid under the plan for Live-In care provider service hours of 50 hours per bi-week at the rate of **\$14.00** per hour. See also,

Exhibit #1, the attached Detailed Wage Information screen. This totals \$1,400 per month of countable MA gross income.

Assuming *arguendo* that the petitioner had actually demonstrated that his living arrangement in a house divided into a two unit flat (upper and lower) is "living with" his mother and that he meets all other criteria for the Live-In Care Provider exemption, the only income that is exempt is the "Live-In Care Provider" earnings. The Non Live-In Care Provider income is not "income that you earn as a live-in care provider that meets all of the rules for being tax exempt." See, DMS Form F-02193 "VERIFYING TAX-EXEMPT INCOME FOR LIVE-IN CARE PROVIDERS." See, DMS Operations Memo 17-41 at p. 3 of 4 directing the use of this form, at p. 1, first paragraph. The form further states, "If income is tax exempt, it is not counted for BadgerCare Plus eligibility." Ibid.

This means that the petitioner's Non Live-In care provider stream is *not* exempt in either scenario (living with the IRIS participant or not living with her); *and*, more importantly it is countable at the gross monthly amount of \$2,872.48 per month. The BC+ gross income limit for 1 person is \$1,215 per month. Even if the computation excludes his Live-In care provider income stream because it found he was a live-in care provider and that income stream (\$1,400 per month gross) was exempt, he was still ineligible because his second income stream (Non Live-In care provider denominated) of \$2,872.48 gross per month, standing alone, renders him ineligible for BC+. (I specifically do not make that finding about whether they were "living in the same home" here, because it is ultimately unnecessary as I will explain below.)

The "living in the same home" dispute here was the proverbial 'red herring" issue. The exemption does not extend to the Non Live-In care provider denominated gross income of \$2,872.48 gross per month in **any event.** That income standing alone is sufficient to affirm the discontinuance of his individual BC+ on October 1, 2023, because his gross income exceeded the BC+ income limit for 1 person. I do not reach the issue of whether he was "living in the same home" with his mother, because it is not dispositive here.

Nothing in this decision alters the care arrangements the petitioner has made with IRIS, GT Independence and his mother. Rather, only the petitioner's BC+ coverage is affected.

In addition, nothing in this decision prevents the petitioner from applying for BC+ again in the future and marshaling evidence to attempt to demonstrate that he is eligible for the exemption for both income streams *and* that is countable non-exempt income is less than the BC+ income limit for 1 person. On this record, he has failed to do so.

Likewise, in the event of a re-application, the agency would be well-advised to fully utilize the department's required forms and verification procedures to fully assess whether his income is exempt for the Live-In Care Provider exemption. See also, DMS Form F-02193 "VERIFYING TAX-EXEMPT INCOME FOR LIVE-IN CARE PROVIDERS." And see, *DMS Operations Memo* 17-41 at p. 3 of 4 directing the use of this form. A request for a tax return may also be advisable in that scenario.

The parties are advised that this decision is issued as a Proposed Decision. It presents two novel policy issues of interpretation on Live-In care provider exemptions (the "living in the same home issue"; and the

mixed exempt/non-exempt care provider issue) and for that reason it will be submitted to the Secretary of the Department of Health Services for a final decision. The final page provides instructions on how the parties can submit "Comments" to the Secretary about this proposed decision, and the time limits for doing so. They would be well-advised to adhere to the process outlined.

CONCLUSIONS OF LAW

That the Department has correctly discontinued the petitioner's BC+ effective October 1, 2023, due to countable non-exempt income in excess of the program limit for a household of 1 person. The Non Live-In care provider gross income of \$2,872.48 per month was not exempt and exceeded the income standing alone. See, *BadgerCare Plus Handbook*, § 50.1; and see, *Ibid*, § 16.1.1.

THEREFORE, it is ORDERED

That, if and only if, this proposed decision is adopted by the Secretary of the Department of Health Services in a final decision, then the petitioner's appeal is dismissed in its entirety.

NOTICE TO RECIPIENTS OF THIS DECISION:

This is a Proposed Decision of the Division of Hearings and Appeals. IT IS <u>NOT</u> A FINAL DECISION AND SHOULD <u>NOT</u> BE IMPLEMENTED AS SUCH.

If you wish to comment or object to this Proposed Decision, you may do so in writing. It is requested that you briefly state the reasons and authorities for each objection together with any argument you would like to make. Send your comments and objections to the Division of Hearings and Appeals, P.O. Box 7875, Madison, WI 53707-7875. Send a copy to the other parties named in the original decision as "PARTIES IN INTEREST."

All comments and objections must be received no later than 15 days after the date of this decision. Following completion of the 15-day comment period, the entire hearing record together with the Proposed Decision and the parties' objections and argument will be referred to the Secretary of the Department of Health Services for final decision-making.

The process relating to Proposed Decision is described in Wis. Stat. § 227.46(2).

Given under my hand at the City of Madison, Wisconsin, this 17^{m} day of November, 2023

Kennetto D Que

Kenneth D. Duren Administrative Law Judge Division of Hearings and Appeals