



FH
[REDACTED]

STATE OF WISCONSIN
Division of Hearings and Appeals

In the Matter of

[REDACTED]
[REDACTED]
[REDACTED]

DECISION

Case #: MGE - 212301

PRELIMINARY RECITALS

The petitioner filed an appeal on February 21, 2024, under Wis. Stat. § 49.45(5), and Wis. Admin. Code § HA 3.03(1), to review a decision by the Marathon County Department of Social Services regarding Medical Assistance (MA).

Following the petitioner's appeal, the Division of Hearings and Appeals (DHA) scheduled a hearing for March 27, 2024. The petitioner later requested and was granted the reschedule of hearings scheduled for March 27, 2024; April 24, 2024; May 15, 2024; June 5, 2024; and July 2, 2024. The petitioner failed to appear for the hearing scheduled for July 25, 2024. As a result, a decision was issued on July 25, 2024, dismissing the petitioner's appeal as abandoned. By postmark date of July 29, 2024, the petitioner requested a rehearing. That request was granted and a new hearing was scheduled for September 4, 2024. The petitioner requested the September 4, 2024 hearing be rescheduled. That request was denied. The hearing proceeded on September 4, 2024, by telephone.

The issue for determination is whether the agency correctly terminated petitioner's MA for failure to provide verification.

There appeared at that time the following persons:

PARTIES IN INTEREST:

Petitioner:

[REDACTED]
[REDACTED]
[REDACTED]

Respondent:

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

By: Kari Dobratz

Marathon County Department of Social Services
400 E. Thomas Street
Wausau, WI 54403

ADMINISTRATIVE LAW JUDGE:
Jason M. Grace
Division of Hearings and Appeals

FINDINGS OF FACT

1. Petitioner (CARES # [REDACTED]) is a resident of Marathon County. He received MA and FS.
2. On February 6, 2024, the petitioner contacted the agency to complete his MA healthcare renewal. He reported owning the following assets: AT&T stocks, a burial plot, one checking account, and two vehicles ([REDACTED]).
3. The agency valued the [REDACTED] at \$2,584 and the [REDACTED] at \$500.
4. By notice dated February 7, 2024, the petitioner was informed his MA would be ending March 1, 2024, as his counted assets exceeded the \$2,000 program limit. His counted assets were indicated to be \$2,584.00. This was based on the value of the [REDACTED] alone.
5. The agency later realized it had erred in finding the petitioner exceeded asset limits. This is because it exempted the wrong vehicle when making the asset determination. It should have exempted the [REDACTED] as it had a greater value and used the [REDACTED] as a countable asset at \$500.00.
6. As a result, by notice dated February 29, 2024, petitioner was informed that he needed to provide by March 19, 2024 verification of the following reported assets: value of burial plot; cash surrender value of whole life policy; value of checking account and savings account; and title, registration, or form from car dealer for the [REDACTED]. The notice further apprised that a failure to provide the requested information by the due date will result in the MA benefits being denied, decreased, or ended.
7. The agency later obtained the value of petitioner's checking and savings account. The agency also obtained verification that indicated the burial plot was owned by a third party, and therefore was not a countable asset for petitioner.
8. On March 1, 2024, the agency contacted Met Life regarding the petitioner's life insurance policy. They were informed that no such policy was held in the petitioner's name. In subsequent phone calls with the petitioner, he insisted that he had a life insurance policy.
9. The petitioner timely appealed.

DISCUSSION

To be financially eligible for MA, an individual cannot have more than \$2,000 in countable assets. Wis. Stat., §49.47(4)(b)3m. and Medicaid Eligibility Handbook §§1.1.2 and 39.4.1. If assets are above that limit, the person is not eligible for MA. Included in assets which must be counted against the MA limit are cash values of life insurance policies if the total face value of the policies is more than \$1,500. MA Handbook, §16.7.5. Also included are stocks and some motor vehicles. MA Handbook, §16.1. If person

has more than one vehicle, they are allowed to exempt the vehicle with the greatest equity value. MA Handbook, §16.7.9.2

Medicaid applicants are required to verify all countable assets. MA Handbook, § 20.3.5. Verification means “to establish the accuracy of verbal or written statements made about a group’s circumstances. MA Handbook, § 20.1.1. For MA renewals eligibility “... must not be denied for failure to provide the required verification until the 20th day after requesting or the end of the renewal months, whatever is later.” MA Handbook, § 20.7.1.2.

Verification places the burden on the applicant to affirmatively prove through documentation that he is eligible. Verification may be difficult to gather, and verification rules recognize these difficulties. Thus, as pertains to verification, agencies can deny an application “when the applicant or recipient is able to produce required verifications but refuses or fails to do so.” Wis. Admin. Code, § DHS 102.03(1). That section goes on to state: “If the applicant or recipient is not able to produce verifications, or requires assistance to do so, the agency may not deny assistance but shall proceed immediately to verify the data elements.” Medical assistance policy found in the MA Handbook, §§ 20.8.1. and 20.8.3. instructs agency workers how to carry out this regulation:

Begin or continue benefits when:

- The member provides requested verification within the specified time limits and is otherwise eligible.
- Requested verification is mandatory, but the member does not have the power to produce the verification and s/he is otherwise eligible.

Deny or reduce benefits when all of the following are true:

- The member has the power to produce the verification.
- The time allowed to produce the verification has passed.
- The applicant or member has been given adequate notice of the verification required.
- The requested verification is needed to determine current eligibility. Current eligibility cannot be denied for lack of verification of a past circumstance that does not affect current eligibility.
- The member is not a child in a continuous coverage period (see SECTION 1.2 CONTINUOUS COVERAGE FOR QUALIFYING CHILDREN).

MA Handbook, §§ 20.8.1. and 20.8.3.

The agency was able to obtain verification of the petitioner’s checking/savings account and burial policy. The agency had not received verification of three of the petitioner’s self-reported assets—[REDACTED], AT&T stock value, and value of life insurance policy. At hearing, the petitioner again reported having all three assets. He indicated that the [REDACTED] was worth much more than the \$500.00 valuation given by the agency. If the value is as alluded to by him at hearing, then he would have two vehicles that each are worth over \$2,000.00, respectively. His assets would then exceed program limits solely based on the value of one of the vehicles. That said, I will review the agency action as of the ending of his MA benefits.

There is no indication that the agency provided the petitioner any assistance in obtaining verification of the AT&T stock prior to March 19, 2024. As to the [REDACTED], it is my understanding that verification was not being sought to determine the value of the asset but mere ownership. As it was not being sought to determine value and the petitioner has verbally acknowledged ownership, further verification of the ownership of the [REDACTED] was not needed to determine MA eligibility. That said, this still leaves the life insurance policy. The agency did reach out to MetLife and was informed that

no insurance policy was in the petitioner's name. That information was relayed to the petitioner and he continues to maintain that he has a life insurance policy. It appears that he claimed the paperwork or the policy itself was stolen by his daughter. He did not provide any evidence to support that claim. Based on the record before me, there is insufficient evidence to find that he lacks the power to obtain verification of his life insurance policy. As noted above, it is a countable asset if the face value exceeds \$1,500. Thus, the ending of the MA following the failure to provide verification of his life insurance policy was appropriate.

I note that the petitioner does have a new MA application pending. It is my understanding verification is still being requested for certain assets, including the life insurance policy. He was informed multiple times when contact occurred to reschedule the hearing about the assistance the Aging and Disability Resource Center (ADRC) may be able to provide him in maintaining or obtaining MA benefits. I would again encourage him to seek assistance from the ADRC with his pending MA application. The telephone number for the ADRC in Marathon County is 1-855-269-9186.

CONCLUSIONS OF LAW

The agency correctly terminated petitioner's MA for failure to provide verification.

THEREFORE, it is

ORDERED

That the petitioner's appeal is dismissed.

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, 5th Floor North, Madison, WI 53705-5400 **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.

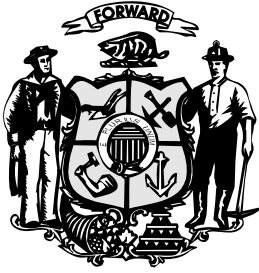
APPEAL TO COURT

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, **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 (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 16th day of September, 2024

\s _____
Jason M. Grace
Administrative Law Judge
Division of Hearings and Appeals



State of Wisconsin\DIVISION OF HEARINGS AND APPEALS

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The preceding decision was sent to the following parties on September 16, 2024.

Marathon County Department of Social Services
Division of Health Care Access and Accountability