



FH  
[REDACTED]

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

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In the Matter of

[REDACTED]  
[REDACTED]  
[REDACTED]

**DECISION**  
Case #: MGE - 217939

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**PRELIMINARY RECITALS**

Pursuant to a petition filed on April 18, 2025, under Wis. Stat. § 49.45(5), and Wis. Admin. Code § HA 3.03(1), to review a decision by the La Crosse County Department of Human Services regarding Medical Assistance (MA), a hearing was held on June 4, 2025, by telephone.

The issue for determination is whether Petitioner is eligible for a reduction of his monthly patient liability to allow him to repay unpaid prior patient liability amounts.

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: Dana Lee

La Crosse County Department of Human Services  
300 N. 4th Street  
PO Box 4002  
La Crosse, WI 54601

**ADMINISTRATIVE LAW JUDGE:**

Teresa A. Perez  
Division of Hearings and Appeals

**FINDINGS OF FACT**

1. Petitioner (CARES # [REDACTED]) is a resident of La Crosse County who has resided at [REDACTED], a skilled nursing facility, since at least July 1, 2024.

2. Petitioner has been eligible for Institutional Medical Assistance since July 1, 2024.
3. Petitioner's brother, [REDACTED], was Petitioner's financial power of attorney from at least July 1, 2024 through March 2025. Throughout that time period, Petitioner had a patient liability that his brother paid only a portion of. His brother has since been criminally charged in connection with his expenditure of Petitioner's funds.
4. By April 8, 2025, Petitioner owed \$22,504.56 to [REDACTED] as a result of his brother's failure to fully pay Petitioner's monthly patient liability amount from July 1, 2024 through March 2025.
5. [REDACTED], in its capacity as representative for Petitioner, requested the local income maintenance consortium to reduce Petitioner's patient liability so that Petitioner could afford to enter into a payment plan to reduce his outstanding balance.
6. The agency denied the request to reduce Petitioner's patient liability because Medical Assistance program policy prohibits unpaid patient liability amounts to be used as a deductible medical expense when calculating a Medical Assistance recipient's current patient liability.
7. Petitioner filed an appeal of the agency's denial of his request to reduce his patient liability.

### DISCUSSION

Institutionalized individuals who receive Medicaid must generally pay a "cost of care" each month. This amount is referred to as a patient liability. See *Medicaid Eligibility Handbook* §27.7.1.

The following amounts may be subtracted from an individual's income when calculating the patient liability.

1. \$65 and ½ earned income [disregard](#)
2. Monthly cost for health insurance
3. Support payments
4. Personal needs allowance (typically \$45 per month)
5. Home maintenance costs, if applicable
6. Expenses for establishing and maintaining a court-ordered guardianship or protective placement, including court-ordered attorney and/or guardian fees
7. Medical or remedial expenses.

*Id.* at 27.7.1.

Petitioner's representative, the nursing facility where he resides, did not dispute the agency's calculation of Petitioner's past monthly patient liability; rather, they asked for an exception to be made given Petitioner's unfortunate circumstances. I understand the rationale for that request. Petitioner was the victim of, at best, mismanagement of his funds and, at worst, theft. As a result, the nursing facility has not been fully compensated for the care they have provided Petitioner.

However, the agency correctly observed that Medicaid program policy explicitly prohibits the following type of expense to be used as a deduction when calculating a Medicaid recipient's current patient liability: "a patient liability or cost share from a previous budget period, whether paid or unpaid, cannot be used as an incurred medical or remedial care expense in a subsequent budget period." *Id.* at 27.7.7.2. The policy

provides no exception and Petitioner did not point to any legal authority to support his request to reduce his patient liability.

As an administrative law judge, I must apply the relevant legal authority as written and reasonably interpreted and have no discretion to grant exceptions or to fashion equitable remedies, which is what Petitioner seeks here.

### **CONCLUSIONS OF LAW**

The agency correctly denied Petitioner's request to reduce his monthly patient liability to allow him to repay unpaid prior patient liability amounts.

**THEREFORE, it is**

**ORDERED**

That 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, 5<sup>th</sup> 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**

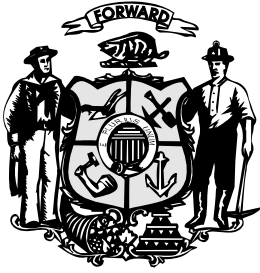
You may also appeal this decision to Circuit Court in the county where you live. Appeals must be filed with the Court **and** served either personally or by certified mail on the Secretary of the Department of Health Services, 1 West Wilson Street, Room 651, **and** on those identified in this decision 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 3rd day of July, 2025

\s \_\_\_\_\_  
Teresa A. Perez  
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 July 3, 2025.

La Crosse County Department of Human Services  
Division of Health Care Access and Accountability