



FH

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

In the Matter of

[REDACTED]
[REDACTED]
[REDACTED]

DECISION
Case #: FCP - 218531

PRELIMINARY RECITALS

Pursuant to a petition filed on June 2, 2025, under Wis. Admin. Code § DHS 10.55, to review a decision by the Inlusa Inc/Community Link regarding Medical Assistance (MA), a hearing was held on July 22, 2025, by telephone. The hearing record was held open for 14 days following the hearing for the petitioner to respond to the agency documents which he had not yet received.

The issue for determination is whether the FamilyCare agency correctly denied coverage of a wellness and exercise program.

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: Karly Stader, Inlusa
Inlusa Inc/Community Link
3349 Church St Suite 1
Stevens Point, WI 54481

ADMINISTRATIVE LAW JUDGE:

Kate J. Schilling
Division of Hearings and Appeals

FINDINGS OF FACT

1. Petitioner (CARES #) is a 45 year old resident of La Crosse County.

2. The petitioner's medical history includes diabetes, obesity, GERD, hypertension, arthritis, chronic pain, osteoporosis, asthma, anxiety, depression, sleep apnea, and partial hearing loss. When triggered, he will engage in shouting, swearing, and name calling towards others. He uses a shower chair, toilet riser, and a grab bar to assist with his activities of daily living.
3. On March 17, 2025, the petitioner requested that the agency cover the cost for him to participate in a health and wellness program.
4. On April 11, 2025, the agency issued a notice of adverse benefit determination that it was denying the petitioner's request to cover the cost of his participation in a mentoring health/wellness program.
5. The petitioner appealed the denial to the FamilyCare agency's grievance committee. The grievance committee issued a notice to the petitioner upholding the denial on May 12, 2025.

DISCUSSION

The Family Care Program is a Medical Assistance home and community based waiver program designed to provide long-term care services for individuals with physical and developmental disabilities and elderly individuals through a managed care service delivery model. See Wis. Stat. §46.286, Wis. Admin. Code ch. DHS 10, Family Care 1915(b) Waiver, and Family Care 1915(c) Home and Community-Based Services Waiver. The State of Wisconsin has obtained approval from the federal Centers for Medicaid and Medicare Services to operate the Family Care Program in conformation with the Medicaid wavier.

The Department of Health Services ("the Department") contracts with managed care organizations (MCOs) throughout the state to provide case management services to Family Care members. See the Family Care / Partnership 2025 Contract (available online at <https://www.dhs.wisconsin.gov/familycare/mcos/contract.htm>). Case management services include comprehensively assessing a member's desired outcomes (i.e., goals) and the services that support those outcomes.

The Department requires MCOs to utilize a "member-centered planning process" which is referred to as the "Resource Allocation Decision" (RAD) method when determining appropriate long-term care services for a member. MCOs may develop service authorization guidelines for use with the RAD but such guidelines must be approved by the department. Regardless of the particular service authorization policy utilized, the Family Care Contract prohibits an MCO from denying "services that are necessary to reasonably and effectively support the member's long term care outcomes identified in the comprehensive assessment as well as those necessary to assist the member to be as self-reliant and autonomous as possible."

In this case, the agency denied the petitioner's request for coverage of a health and wellness program because it believed the petitioner requested the benefit for recreational or socialization purposes. In its denial notice, the agency stated the petitioner could engage in free activities instead such as walking his dog, participating in local ADRC events, the Parks and Rec. program, watching You Tube videos, and events at the local library.

At the hearing, the petitioner testified credibly that he requested coverage of the health and wellness program because of a desire to improve his physical health. His statements suggested that having another person at the gym to meet with kept him more accountable to show up and engage in the fitness activities.

He clarified that it was not his intent to merely have the health and wellness activities covered for socialization purposes. He stated that he had been hospitalized twice due to falls and had fallen several times recently. He was worried that he would fall while alone on a walk and not have someone there to help him up or get further assistance. Notably, he has had to call an ambulance for assistance to get up after some of his falls.

The petitioner has medical diagnoses including diabetes, obesity, high blood pressure, GERD, depression, and anxiety. He also previously had a hip replacement which still causes him pain. His testimony was credible that his doctors and medical providers have encouraged him to be more active and that was his genuine reason for wanting the health and wellness activities covered. In light of his medical history and diagnoses, that seems reasonable and appropriate.

During the hearing, the petitioner stated that he had talked to the agency about a one year mentorship/membership program with the [REDACTED] where he would meet up with a student there to work out approximately twice per week. The cost of this program was \$105 per year. The petitioner had engaged in this program prior to the hearing and had found it to be a positive experience. He had previously found another person to pay for his membership as a donation.

The agency stated that it did not currently have a contract with [REDACTED] for purposes of approving the health/wellness program there. At that point, the petitioner stated that he would be happy with the alternative program called [REDACTED] which the agency acknowledged that it did have a contract with. The hearing record was left open for 14 days following the hearing. At that point, the petitioner submitted a written statement that he would also consider the [REDACTED] program. The petitioner's physical therapist and also the [REDACTED] program coordinator jointly signed a letter encouraging the petitioner's participation in this program. His physical therapist stated, "clearly losing weight, increasing happiness, and reducing pain by exercising are just a few of the benefits [as well as] likely reducing his overall health care costs."

I agree with the petitioner that there are many health benefits and medical reasons for engaging in health and wellness programs. Additionally, health and wellness benefits are included as part of the FamilyCare benefit package in the FamilyCare contract.

Health and Wellness services maintain or improve the health, well-being, socialization, or inclusion of the member in their community. Services support whole-person culturally appropriate wellness by promoting stress relief, nonpharmacologic pain management, self-determination, and community connections. Services prevent or delay higher cost institutional care through health and wellness activities that focus on healthy habits.

Health and Wellness includes:

i. Healthy lifestyle services, such as:

a) Classes lessons, events, or other educational opportunities, to address issues regarding living with a disability and having a healthy lifestyle, including nutrition, physical activity, and sensory regulation.

b) Health and wellness web and mobile applications.

Healthy lifestyles services increase the capacity of the member to self-advocate, navigate community resources, and improve overall health and socialization skills. These skills keep members in the community and out of an institution.

WI Dept. of Health Services, Division of Medicaid Services contract with FamilyCare MCOs, Section VI Benefit Package Service Definitions, January 1, 2025.

The petitioner has identified three different health and wellness programs that he finds suitable and would fulfill his request. I will leave it up to the FamilyCare agency to work with the petitioner to determine which one of those programs is most suitable and appropriate given the FamilyCare agency's contracting agreements, and under the petitioner's plan of care, which was not included as part of the hearing record.

CONCLUSIONS OF LAW

The FamilyCare agency incorrectly denied the petitioner's request for coverage of a health and wellness program.

THEREFORE, it is

ORDERED

That this case is Remanded to the FamilyCare agency with instructions to rescind the denial notice of the mentoring health and wellness program dated March 17, 2025, and to issue a new notice authorizing FamilyCare coverage of a health and wellness program for the petitioner. The agency shall do this within 10 days of the date of this decision.

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.

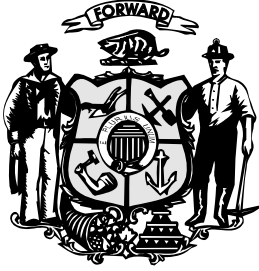
APPEAL TO COURT

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 4th day of September, 2025

\s_____
Kate J. Schilling
Administrative Law Judge
Division of Hearings and Appeals



State of Wisconsin\DIVISION OF HEARINGS AND APPEALS

Brian Hayes, Administrator
5th Floor North
4822 Madison Yards Way
Madison, WI 53705-5400

Telephone: (608) 266-7709
FAX: (608) 264-9885
email: DHAmail@wisconsin.gov
Internet: <http://dha.state.wi.us>

The preceding decision was sent to the following parties on September 4, 2025.

Inclusa Inc/Community Link
Office of Family Care Expansion
Health Care Access and Accountability
[REDACTED]