



FH
[REDACTED]

STATE OF WISCONSIN
Division of Hearings and Appeals

In the Matter of

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

DECISION
Case #: MGE - 220701

PRELIMINARY RECITALS

A petition was filed on November 3, 2025, under Wis. Stat. § 49.45(5), and Wis. Admin. Code § HA 3.03(1), to review a decision by the Milwaukee Enrollment Services regarding Medical Assistance (MA). A hearing was initially scheduled for December 3, 2025, but was rescheduled at the request of the petitioner's representative. A hearing was then held on December 17, 2025, by telephone.

The issue for determination is whether the agency correctly denied the petitioner for Medicaid benefits.

There appeared at that time the following persons:

PARTIES IN INTEREST:

Petitioner:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Respondent:

Department of Health Services
201 E. Washington Ave.
Madison, WI 53703

By: Stacy Green
Milwaukee Enrollment Services
6055 N. 64th Street
Milwaukee, WI 53218

ADMINISTRATIVE LAW JUDGE:

Kate J. Schilling
Division of Hearings and Appeals

FINDINGS OF FACT

1. Petitioner (CARES # [REDACTED]) is a 94 year old resident of Milwaukee County who lives in a CBRF.
2. On August 8, 2025, the petitioner applied for Medicaid. She indicated that she had 5 sources of income which totaled \$5,631.75 in net income ([REDACTED] \$175, [REDACTED] [REDACTED] \$92.50, Social Security \$1,793, [REDACTED] \$546, [REDACTED] \$185.25, [REDACTED] \$2,840). In addition, the petitioner listed that she had several bank accounts and a burial fund.
3. On August 21, 2025, the agency requested verification of the income from the 5 pensions, checking accounts, and burial assets, with a due date of September 8, 2025.
4. On September 2, 2025, the agency extended the due date for verifications to September 15, 2025. A notice reflecting the extended due date was sent out on September 3, 2025.
5. On September 13, 2025, the petitioner's representative requested an extension of time to obtain verifications. The agency agreed to extend the verification deadline to September 30, 2025.
6. On September 15, 2025, the agency processed verification documents from the petitioner's representative. These documents referred to a new, additional bank account that the agency was not previously aware of, as well as a letter from the petitioner's representative explaining that the petitioner had purchased 6 burial assets for her adult children (\$5,500 each).
7. On September 16, 2025, the agency sent out a request for verification of the new bank account, burial assets, and the 5 sources of pension income. The verifications were due September 30, 2025.
8. On September 24, 2025, the petitioner's representative submitted verification documents to the agency. The agency worker reviewed the bank statements, burial asset statements of goods and services, and proof of payments made from the petitioner's bank account that were for her room and board. The agency determined that the petitioner was over the \$2,000 asset limit for Medicaid, and had not sent in verification of the 5 sources of pension income.
9. On September 25, 2025, the agency denied the petitioner's Medicaid application due to lack of verification of pension income and being over the \$2,000 asset limit.
10. On September 26, 2025, the agency sent a request for verification notice to the petitioner requesting verification of signed funeral documents, copies of contracts with [REDACTED] and [REDACTED], and verification of the 5 income pensions.
11. On September 30, 2025, the agency received verification of burial assets, updated bank account information, and verification of a payment by the petitioner to the IRS for a \$10,000 tax penalty. However, no verifications of the pension income were received.
12. On October 4, 2025, the agency sent a notice to the petitioner stating that her Medicaid was denied for failure to verify her pension income.

DISCUSSION

To be eligible for “Elder / Blind / Disabled Medicaid” (“EBD Medicaid”), a category that includes long-term care Medicaid, an unmarried individual must meet certain financial eligibility requirements. The countable asset limit is \$2,000 for an unmarried individual. *Medicaid Eligibility Handbook (MA Handbook)* §§27.5.1 and 39.4.1. Asset amounts are determined as of the last day of the month. *MA Handbook* §2.8.2

In this case, the petitioner applied for Medicaid on August 8, 2025. The agency requested verification of the petitioner’s 5 sources of pension income, bank accounts, and burial assets. On September 22, 2025, the agency received various documents from the petitioner, including a letter from her power of attorney indicating that he had just recently become aware of a [REDACTED] account containing approximately \$56,000. He had cashed out this account and used the money to purchase burial assets for the petitioner’s six adult children, pay an IRS tax penalty, and pay an outstanding bill for the petitioner’s room and board costs at the CBRF. The agency denied the petitioner’s Medicaid eligibility on or about September 25 due to lack of verification of her income as well as being over the \$2,000 asset limit. On September 30, 2025, the petitioner submitted additional documentation which included proof that her assets were below \$2,000. However, the agency had still not received verification of the petitioner’s 5 sources of income totaling \$5,631.75 net per month. The Medicaid application was again denied on October 4, 2025, for failure to verify income.

The facts of this case are largely undisputed. The petitioner’s representative and power of attorney had provided a significant amount of documentation to the agency regarding the petitioner’s assets and expenditures. However, the petitioner had not submitted verification of her 5 sources of income.

The agency is required to verify certain components of a Medicaid application.

20.3.1 Mandatory Verification Items Introduction

The following items must be verified for Medicaid:

- SSN (see [Section 10.1 SSN Requirements](#))
- U.S. citizenship (see [Section 7.2 Verifying U.S. Citizenship](#))
- Immigrant status (see [Section 7.3.2 Verification](#))
- Disability (see [Section 5.2 Determination of Disability](#))
- **Income** (see [Section 15.1 Income Introduction](#))
- **Assets** (see [Section 16.1 Assets Introduction](#))
- **Divestment, for Medicaid long-term care programs** (see [Chapter 17 Divestment](#))

* * *

(Emphasis added.) *MA Handbook* §20.3.1. A person’s income and assets, including burial assets, are mandatory verification items at the time of a Medicaid application and at annual renewals. Additionally, non-routine expenditures from a bank account that may signify a divestment are mandatory verification items as well. The Medicaid program requires that agencies use gross income for eligibility determinations.

15.1.6 Countable Income

Countable income is the prospective gross monthly amount used in the eligibility determination and post-eligibility calculations.

MA Handbook § 15.1.6. The gross monthly income must be verified before deductions such as taxes, garnishments, or Medicare premiums are taken out. For this reason, bank statements reflecting monthly income deposits are insufficient verification.

In this case, the petitioner had income from 5 different sources. The agency requested verification of these pensions on multiple occasions. The petitioner's representative provided verifications of assets to the agency on multiple occasions; however, none of those documents provided verifications of the petitioner's income. For that reason, the IM agency could not complete processing the petitioner's Medicaid application, and properly denied it on September 25, 2025, and October 4, 2025.

The decisions relating to the petitioner's application for a Medicare Savings Program and Medicaid community waivers are in MQB 220702 and CWA 220703, respectively.

CONCLUSIONS OF LAW

The agency correctly denied the petitioner for Medicaid on September 25 and October 4, 2025.

THEREFORE, it is

ORDERED

That this case is hereby 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.

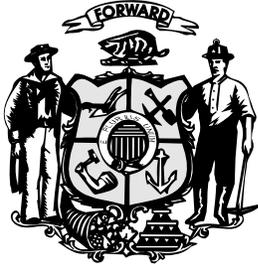
APPEAL TO COURT

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, 201 E. Washington Ave., **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 February, 2026

\s _____
Kate J. Schilling
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 February 3, 2026.

Milwaukee Enrollment Services
Division of Health Care Access and Accountability