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**State of Wisconsin
Governor Jim Doyle**

**TO: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
W-2 Agencies
Workforce Development Boards
Job Center Leads and Managers
Training Staff
Child Care Coordinators**

**FROM: Vicki Jessup, Policy Section Chief
Bureau of Enrollment Policy & Systems
Division of Health Care Access and Accountability**

BEPS/DFS OPERATIONS MEMO					
No: 10-66					
DATE: 09/09/2010					
FS	<input checked="" type="checkbox"/>	MA	<input type="checkbox"/>	BC+	<input type="checkbox"/>
SC	<input type="checkbox"/>	CTS	<input type="checkbox"/>	FSET	<input type="checkbox"/>
		BC+ CORE		<input type="checkbox"/>	
CC	<input type="checkbox"/>	W-2	<input type="checkbox"/>	EA	<input type="checkbox"/>
CF	<input type="checkbox"/>	JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>
RAP	<input type="checkbox"/>	WIA	<input type="checkbox"/>	Other	<input type="checkbox"/> *
EP					

SUBJECT: Verification of Medical Expenses for FoodShare Deduction

CROSS REFERENCE: FoodShare Eligibility Handbook 1.2.4.8, 1.2.5 and 4.6.4

EFFECTIVE DATE: Immediately

PURPOSE:

This memo is intended to announce a policy change for FoodShare (FS) regarding verification of medical expenses.

BACKGROUND:

Currently, FS policy requires the verification of medical expenses to allow a deduction for elderly, blind, or disabled FS members who have more than \$35 in medical expenses per month. If the expenses are not verified, the expense deduction is not allowed.

The federal Food and Nutrition Services (FNS) does not require states to verify medical expenses at application, recertification or when the reported amount changes. On average, medical expense errors accounted for approximately 1.7% of Wisconsin's quality control errors between federal fiscal years 2004 and 2009. However, most of those errors occurred because the agency failed to act on known or reported information. The incorrect budgeting of medical

expenses has accounted for very few quality control errors over the most recent five year period.

Therefore, in order to reduce agency workload, and increase program participation and FoodShare issuance in Wisconsin, verification of medical expenses will no longer be required unless the agency determines that the reported amount is questionable.

PREVIOUS POLICY:

Out of pocket medical expenses claimed by an elderly or disabled applicant for FS must be verified prior to initial certification in order for the expense to be allowed as a deduction. Do not allow a deduction if the expense is not verified. The following items must be verified: date of service, billing date, amount owed, and date amount is due.

NEW POLICY:

Medical expenses are not required to be verified in order for the expense to be used in the FoodShare benefit calculation, unless the applicant or member's statement is deemed questionable. Examples of applicant/member statements that may be considered questionable include:

- Applicant or member has private health insurance or is covered by Medicaid or BadgerCare Plus and is claiming unusually high out of pocket expenses for a time period when s/he had coverage.
- Claimed monthly medical expenses exceed monthly income.

CARES:

Unless the reported amount is questionable, enter NA "not applicable" as the verification code for medical expenses. When these codes are entered, CARES will use the deduction in the benefit calculation, if appropriate.

If the reported amount is deemed questionable, enter a "?" to pend the case and request verification. If verification is not provided by the deadline, enter a "NV". The expense will not be used in the benefit calculation.

CONTACTS:

BEPS CARES Information & Problem Resolution Center

*Program Categories – FS – FoodShare, MA – Medicaid, BC+ – BadgerCare Plus, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – FoodShare Employment and Training, BC+ Core – BadgerCare Plus Core, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DHS/DHCAA/BEPS/ME