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**State of Wisconsin
Governor Scott Walker**

**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: 11-09					
DATE: 02/24/2011					
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+ Basic	<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 Expense for FoodShare

CROSS REFERENCE: FoodShare Handbook (FSHB) 1.2.4.8 and 1.2.6
Operations Memo 10-66

EFFECTIVE DATE: Immediately

PURPOSE:

The purpose of this memo is to announce a policy change for FoodShare (FS) regarding verification of medical expenses.

BACKGROUND:

Operations Memo 10-66 announced a change in FS policy that allowed workers to use a medical expense as an income deduction for elderly, blind or disabled members with more than \$35 per month in medical expenses without requiring verification of the expense. The medical expenses were only required to be verified if determined questionable.

POLICY UPDATE:

The department has received clarification from the federal Food and Nutrition Services (FNS) that medical expenses can not be included with the list of other expenses such as shelter and dependent care that do not have to be verified at application in order to be used in the benefit calculation. Medical expenses must be verified in certain circumstances in order to allow the deduction.

Beginning with the issuance of this memo, medical expenses must be verified as stated below to allow the income deduction in the FS benefit calculation.

VERIFICATION REQUIREMENTS

Application

The amount of medical expenses must be verified at time of application.

During the Certification Period

Changes in medical expenses reported by the household during the certification period must be verified if they are from a new source, if the total amount of previously verified medical expenses has changed by more than \$25, or when the information is questionable. An agency must not act on changes reported by a source other than the household, if acting on the change would require the agency to contact the household for verification. The agency must only act on changes in medical expenses that it learns about from a source other than the household if those changes are verified upon receipt and do not require contact with the household.

EXAMPLE 1: Edith, a disabled FS member, provided proof of her \$200 monthly prescription costs from her pharmacy at application. In the third month of her FS certification period, she reports that she was hospitalized last month and now has a \$1,300 obligation for a hospital bill. Edith and her worker agree that this bill will be averaged over the remaining months in Edith's FS certification. Because this is a change of more than \$25, Edith's worker explains that in order to receive the deduction for this new medical expense, verification is required. If verification is not provided, only the \$200 deduction is allowed.

EXAMPLE 2: Violet, a disabled FS member is also eligible for Home and Community Based Waivers as a Group B. At application, Violet reports and provides proof of a recurring monthly medical expense for FoodShare. In the fifth month of her certification period, Violet's worker receives notice of a medical/remedial cost from her care manager for Long Term Care (LTC) purposes. Because this change is not considered as verified upon receipt for FS purposes, her worker updates her case using the 'OP – Out of Pocket Med/Remedial' code on the Medical Expenses page when creating a new sequence that will budget the expense correctly for LTC purposes and not impact her FS determination. If the care manager had provided verification of the medical/remedial expense that could be used as a FS expense at the time the change was reported, the new FS expense amount would be entered using the appropriate code on the Medical Expense page and used in the benefit calculation. **Note:** The CM (Case Management) and OP (Out of Pocket Med/Remedial) codes are NOT applicable for FS. To see what Expense Type codes will work in CWW for FS vs. EBD MA, click on the Reference Table Pop Up.

EXAMPLE 3: Mario, an elderly FS member, reported and provided proof of his \$90 monthly prescription costs at his most recent FS renewal in December. In March, he reports that his prescription costs have increased to \$114 per month. Mario's agency updates his case and does not require verification of the increased medical expense because the total medical expenses did not change by more than \$25.

SMRF

Changes in medical expenses are not required to be reported at SMRF. If a change in medical expense is reported at SMRF, follow the verification policy for changes reported during the certification period.

Renewal

Previously unreported medical expenses and changes in total recurring medical expenses of more than \$25 since last verified must be verified at renewal.

EXAMPLE 4: Sally reports and provides proof of a \$150 recurring monthly prescription medical expense at her FS application. At her renewal, she states that this monthly expense continues but that it has increased by \$10. Sally's worker updates her case and does not require verification.

If Sally had reported at renewal that she also had a new recurring medical expense of \$90 for monthly chiropractic visits, verification of this new expense would be required.

CARES:

CARES was programmed to allow the medical expense deduction unless the expense was determined to be questionable and a 'Q?' or 'QV' was entered in the verification code field.

Until CARES can be updated to require verification of the expense, workers must enter a Q? to pend the FS benefit and request verification of the expense and a 'QV' when the member has failed to verify the expense. CARES will not fail the FS if the expense is not verified but 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.

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