Chapter DHS 1

UNIFORM FEES, LIABILITY AND COLLECTIONS

DHS 1.04 Liability. (1) GENERAL. Unless otherwise provided by law, the following persons are liable for services provided to a client:
   (a) A client who is not a minor.
(b) A spouse.
(c) A parent.

(d) A person that a court determines or orders to be liable or otherwise responsible for payment of services provided to a minor.

(e) Any other persons liable as provided under s. 46.10, Stats.

(2) AMOUNT OF LIABILITY. The amount of liability of any person under sub. (1) for services provided to a client shall be based upon the fee established under s. DHS 1.03, subject to subs. (4) and (5).

(3) ENFORCEMENT. The department may bring action to declare the liability of any person or entity under sub. (1), or to enforce payment toward such liability.

(4) WAIVER. (a) The department or a county department may permanently waive the liability for a service rendered to a client for any of the following reasons:

1. The client receives Medical Assistance.
2. The client receives Social Security Disability or Supplemental Security Income.
3. No payments are required under s. DHS 1.05 (4).
4. The liability is for a service, meeting the exception in s. DHS 1.02 (9) (f).

(b) Any liability that is waived under par. (a) shall be documented as provided in s. DHS 1.05 (5) (e).

(5) NON-COMPLIANCE. The liability of a person under sub. (1) may not be waived as provided in sub. (4) if the department determines that the person does any of the following:

(a) Refuses to complete a financial responsibility form or to provide documentation required to verify information provided in a financial responsibility form.

(b) Intentionally misrepresents any information provided in a financial responsibility form.

Note: The financial responsibility form is available by accessing: https://www.dhs.wisconsin.gov/forms/f8/f80130.pdf.

(6) COST-SHARE EXCEPTION. Subsections (1) to (3) do not apply to an individual who is required to meet department cost-sharing requirements under s. 49.45 (18), Stats., for receiving services from community based residential facilities or any other assisted living facility.

History: Cr. Register, August, 1978, No. 272, eff. 9–1–78; am. (1) (intro.) and (a), remun. (1) (d) and (e) to be (1) (g) and (h), r. and re enr. (1) (g), cr. (1) (d) to f), Register, November, 1979, No. 287, eff. 1–1–80; am. (1) (d) (intro.) and (2) (c), cr. (2) (f), Register, September, 1984, No. 345, eff. 10–1–84; am. (1) (intro.), (g) 1. and 2., r. and re enr. (1) (d) and (2) (a), Register, December, 1987, No. 384, eff. 1–1–88; CR 19–020; r. and re enr. Register December 2019 No. 768, eff. 1–1–20.

DHS 1.05 Billing. (1) GENERAL. Each month during the collection period, the department or county department shall, as applicable, issue a billing statement that indicates any outstanding liability to each of the following:

(a) A client who is not a minor.
(b) Each parent.
(c) Each authorized representative under sub. (3).

(2) THIRD-PARTY PAYERS. The department or county department shall file a claim with any third-party payers in a manner consistent with s. Ins 3.40. Medical Assistance shall be the payer of last resort.

(3) AUTHORIZED REPRESENTATIVE. Upon receipt of proof of any such relationship, billing statements shall be issued to a legal representative of a client, including a guardian of the estate, a representative payee, or any other person or entity authorized by law or through the client’s written consent, to receive such information.

(4) AMOUNT. The monthly payment amount established in s. DHS 1.03 (1) billed and subject to collections, if any, shall be based upon liability established under this chapter, the maximum monthly payment schedule, and ability to pay. All of the following apply in determining the monthly payment amount:

(a) Ability to pay. Ability to pay shall be determined by use of a financial responsibility form that gives due regard to relationship and the present needs of the person or of the lawful dependents. Subject to par. (b) and s. DHS 1.04 (5), ability to pay may be determined at any of the following times during the collection period:

1. Upon receipt of a financial responsibility form by the department or county department from a person liable under s. DHS 1.04 (1).
2. When the department or a county department receives notice that there has been a change in the financial circumstances of a person liable under s. DHS 1.04 (1).
3. Every 12 months, while services are being rendered.
4. At the conclusion of services rendered.


(b) Best able to pay. After investigation of the liable persons’ ability to pay, the department or, if applicable, the county department shall make collection from the person who in the opinion of the department under all of the circumstances is best able to pay as provided in s. 46.10 (3), Stats.

(c) Adjustments. The department may adjust a past determination of ability to pay, looking back 90 days from the date of receipt of a financial responsibility form under sub. (4) (a).

(5) BILLING STATEMENTS. At a minimum, a billing statement shall include all of the following information:

(a) An itemization of any services provided during the billing period, including the date the service was provided, the number of units, and the fee amount.

(b) Any claim filed with a third-party payer and any expected payment on the claim.

(c) The date and amount of any other payments received during the billing period.

(d) The total outstanding liability as of the date of the statement.

(e) Any liability that was waived under s. DHS 1.04 (4).

(f) The due date and amount of monthly payment required under sub. (4).

(6) OTHER REQUIREMENTS. The department or county department shall:

(a) Maintain documentation of compliance with this section. Counties shall provide such documentation to the department upon request.

(b) Establish a documented procedure to periodically review accounts for accuracy and compliance with this chapter.

(c) Establish a written grievance procedure for actions relating to liability determination, billing, and collections.

(d) Not issue a billing statement or collect from the parent of a minor client who is receiving treatment for alcohol or drug abuse without the consent of a parent or guardian, as provided in s. 51.47, Stats.

History: Cr. Register, August, 1978, No. 272, eff. 9–1–78; remun. (1) (a), (c) (1) (b) to (e), remun. (2) to be (2) (a) and cr. (2) (b), remun. (5), (b) and (7) to be (6), (12) and (13), and am. cr. (5) and (7) to (11), Register, November, 1979, No. 287, eff. 1–1–80; am. (12) (b) and (c), Register, December, 1980, No. 300, eff. 1–1–81; correction in (2) (d) under s. 13.93 (2m) (b) 7., Stats., and in (3) under s. 13.93 (2m) (b) 4., Stats., Register, September, 1984; am. (4), (7) and (13) (c) (intro.), Register, September, 1984, No. 345, eff. 10–1–84; remun. (13) (c) 1. b. to be 1. c. and am. cr. (13) (c) 1. b., Register, December, 1987, No. 384; corrections made under s. 35.93, Stats.
(a) “County administrative agency” means the county department designated to administer and provide or contract for children’s services covered by this section in that county.

(b) “Service plan” means a written plan for providing services covered by this section.

(3) DETERMINING PARENTAL PAYMENT LIMITS. The county administrative agency shall determine the parental payment limit for each child receiving services covered by this section. Notwithstanding s. DHS 1.03 (12) (c) and (21), the county administrative agency shall determine the parental payment limit for services covered by this section in the following manner:

(a) Determine the annual parental income. If the parents live in separate households and the child receiving services covered by this section resides in both households, determine a separate parental payment limit for each household.

(b) Subtract the higher of the following:

1. The department’s standard disability allowance.

2. Allowable medical or dental expenses claimed for the child on schedule A of the parent’s most recent internal revenue service tax form 1040 that was filed with the internal revenue service.

Note: The Internal Revenue Service (IRS) has a web−based guide to assist in identifying which expenses may be claimed to Schedule A of the IRS form 1040 for allowable medical and dental expenses that would qualify as itemized deductions. Please see IRS Publication 502 at the following address: http://www.irs.gov/publications/p502index.html.

(c) Determine the federal poverty level based on current federal poverty guidelines for the family size. If the parents live in separate households and the child resides in both households, determine the family size and federal poverty level for each household.

(d) Determine whether the income, adjusted as provided in par. (b) is at or above 330% of the federal poverty level and identify the percentage of the annual service plan costs owed based on the most current Children’s Long−term Support Parental Payment Limit Worksheet provided by the department. Use Table DHS 1.065 to determine the percentage of service plan costs for which the parents may be liable.

Table DHS 1.065

<table>
<thead>
<tr>
<th>Adjusted Gross Income (% of FPL)</th>
<th>Percentage of Service Plan Cost</th>
</tr>
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<tbody>
<tr>
<td>Less than 300% FPL</td>
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<tr>
<td>330% to less than 355%</td>
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<tr>
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<td>1.8%</td>
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<td>3.4%</td>
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<tr>
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<tr>
<td>455% to less than 480%</td>
<td>5.0%</td>
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<tr>
<td>480% to less than 505%</td>
<td>5.8%</td>
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<tr>
<td>505% to less than 530%</td>
<td>6.6%</td>
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<td>7.4%</td>
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</tr>
<tr>
<td>830% to less than 855%</td>
<td>17.0%</td>
</tr>
</tbody>
</table>
DHS 1.065  
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41.0% to less than 25.8%  
26.6% to less than 1030%  
18.6% to less than 1180%  
40.2% to less than 38.6%  
1455% to less than 955%  
905% to less than 1505%  
1155% to less than 1580%  
20.2% to less than 36.2%  
1530% to less than 1555%  
22.6% to less than 1020%  
25.0% to less than 18.6%  
1430% to less than 33.8%  
33.0% to less than 28.2%  
33.8% to less than 1255%  
1205% to less than 23.0%  
1105% to less than 1055%  
905% to less than 880%  
930% to less than 1305%  
1055% to less than 1355%  
1005% to less than 1380%  
1255% to less than 1405%  
1405% to less than 1430%  
1430% to less than 1455%  
1455% to less than 1480%  
1505% to less than 1530%  
1530% to less than 1555%  
1555% to less than 1580%  
1580% and above 41.0%  

Note: The federal poverty guidelines are adjusted yearly by the federal Office of Management and Budget under 42 USC § 9002 (2) and are published annually in the Federal Register. The federal poverty guidelines and the CLTS Parental Payment Limit Worksheet are distributed annually by the Department to counties for use in calculating the parental payment limit. To receive the current federal poverty guidelines and the CLTS Parental Payment Limit Worksheet, contact the Division of Medicaid Services, P.O. Box 7851, Madison, WI 53707–7851, or visit the Department’s website at http://www.dhs.wisconsin.gov/children/clts/ppl/index.htm.

(e) Compute the annual cost of the child’s service plan. Subtract administrative and support and service coordination functions.

(f) For families with an income over 330% of the federal poverty level, multiply the percentage established in par. (d) by the amount established in par. (e).

(3m) AMENDING CALCULATED PAYMENT LIMITS. (a) The parental payment limit is the amount calculated under sub. (3) (f).

(b) If a parent refuses to provide financial information to the administering agency, then their parental payment limit shall be 41% of the annual cost of the child’s service plan.

(c) A county may consider a family’s financial hardship when determining the parental payment limit.

(4) NOTIFICATION OF PARENTAL FINANCIAL OBLIGATION. The county administrative agency shall provide written notice to the parents of the amount of annual parental financial obligation due before the service plan is implemented, or as soon thereafter as administratively possible, that includes all of the following:

(a) The date of the implementation of the parental financial obligation, which is the start date on the service plan.

(b) The annual amount due, with a breakdown of monthly minimum requirements.

(c) Procedures offered by the county administrative agency for reconsideration of the parental financial obligation.

History: CR 08–017; cr. Register June 2008 No. 630, eff. 7–1–08; CR 19–020; am. (1) (c) Register December 2019 No. 768, eff. 1–1–20.

DHS 1.07 Delegation. (1) GENERAL. The department may delegate duties and responsibilities under this chapter, as provided in ss. 46.03 (18) (e) and 46.10 (16), Stats.

(2) PROCESS. A request for delegation under sub. (1) shall be submitted to the department. The department shall notify a county requesting any such delegation of its approval or denial, and specify any conditions of such delegation.

History: Emerg. cr. HSS 1.07, eff. 1–22–97; cr. Register, August, 1997, No. 500, eff. 9–1–97; corrections in (2) (intro.), (b), (6) (intro.), (a), (c) and (10), made under s. 13.93 (2m) (b) 7., Stats., Register, June, 2001, No. 546; correction in (1) made under s. 13.92 (4) (b) 7., Stats., Register June 2008 No. 630; corrections in (1), (2) (intro.) to (b), (6) (intro.) to (c) and (10) made under s. 13.92 (4) (b) 6. and 7., Stats., Register November 2008 No. 635; CR 19–020; r. and recal. Register December 2019 No. 768, eff. 1–1–20.