



STATE OF WISCONSIN
Division of Hearings and Appeals

In the Matter of

██████████
██████████
██████████

DECISION
Case #: CWA - 220474

PRELIMINARY RECITALS

Pursuant to a petition filed on October 15, 2025, under Wis. Admin. Code § HA 3.03, to review a decision by the Bureau of Long-Term Support regarding Medical Assistance (MA), a hearing was held on January 2, 2026, by telephone.

The issue for determination is whether the IRIS agency erred in its action to involuntarily disenroll petitioner from the IRIS program effective 10/7/25.

There appeared at that time the following persons:

PARTIES IN INTEREST:

Petitioner:

██████████
██████████
██████████

Respondent:

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

By: S. Rothe
Bureau of Long-Term Support
PO Box 7851
Madison, WI 53707-7851

ADMINISTRATIVE LAW JUDGE:

John Tedesco
Division of Hearings and Appeals

FINDINGS OF FACT

1. Petitioner is a resident of Dodge County.
2. Petitioner was enrolled in the Iris Program.
3. Petitioner's husband was her supportive home care ("SHC") worker.

4. On 8/7/25 petitioner signed an acknowledgement stating that she understood the importance of monitoring her budget and preventing budget mismanagement. The acknowledgement included language in the Participant Education Manual that the participant must not schedule providers to work more than what is authorized and you should not sign timesheets that go over what the worker is authorized to provide.
5. Petitioner had been provided the Participant Education Manual, including extensive guidance related to budget management, responsibilities, and sanctions for mismanagement in 2019, 2020, 2021, 2023, and 2024 as well. Petitioner acknowledged receipt and understanding of the Participant Education Manual and its provisions.
6. For the IRIS plan year from 11/1/24 through 10/31/25 petitioner's IRIS budget was \$18,720.24.
7. During the 2024-25 plan year, as of 8/23/25, petitioner had already exceeded her budget and had authorized payment to her husband in the amount of \$22,784.
8. Petitioner had approved all billing authorizations for her husband.
9. On 9/22/25 the IRIS agency issued a notice of action terminating petitioner from the IRIS Program due to mismanagement of budget authority.

DISCUSSION

The IRIS program is a Medical Assistance (MA) home and community-based long term care waiver program authorized under §1915(c) of the Social Security Act. See also, 42 C.F.R. §441.300, et. seq. IRIS is an alternative to Family Care, Partnership, and PACE—all of which are managed care programs. The IRIS program, in contrast, is designed to allow participants to direct their own care and to hire and direct their own workers.

The waiver approved by the Centers for Medicare and Medicaid Services (CMS) which proves the IRIS program's authority is available at <https://www.dhs.wisconsin.gov/iris/hcbw.pdf>. State policies governing administration of the IRIS program are included in the *IRIS Policy Manual* (available at <http://www.dhs.wisconsin.gov/publications/P0/P00708.pdf>) and *IRIS Work Instructions* (available at <http://www.dhs.wisconsin.gov/publications/P0/P00708a.pdf>).

The waiver requires IRIS Consultant Agencies (“ICAs”) to monitor health and safety as part of service planning, to try to eliminate health and safety concerns, when they arise, in partnership with the participant, and to disenroll participants when health and safety concerns remain despite remediation efforts. Specifically, the waiver provides:

Regular meetings . . . provide the opportunity for the [IRIS Consultant] to monitor the participant's back-up plan and health and safety. ICs may mitigate risk of threats to health and safety by connecting participants with resources for addressing their own health and safety risks. . . If the participant refuses, or is unable, to address his or her own health and safety, or refuses the assistance of the IRIS Consultant, the IRIS Consultant has the responsibility to recommend involuntary disenrollment.

Application for a 1915(c) Home and Community Based Services Waiver WI.0485.R01.00, Appendix D-2a.; see also Appendix E-1m. and Appendix D-1e.

Consistent with the above-quoted waiver language, IRIS program policy issued by the Department of Health Services includes the following directions regarding the involuntary disenrollment of IRIS participants:

2. Program Requested Disenrollment

a. Disenrollment Process

Program requested disenrollments are involuntary and occur as the result of a participant's failure to meet programmatic requirements, failure to perform responsibilities of self-direction, or as result of general program noncompliance. In an attempt to prevent program requested disenrollments and to ensure successful program participation, the ICA reviews participant education materials with the participant at enrollment, annually, and as needed. Specific reasons for program requested disenrollment and their definitions are provided below.

ICAs are responsible for recommending program requested disenrollments when a reason for disenrollment is identified and applicable remediation attempts have not resolved the issue . . . The reasons for program requested disenrollment, their definitions, and any required remediation include the following:

v. Misappropriation of IRIS Funds: *Also referred to as "Budget Authority Abuse or Mismanagement," the ICA selects this reason when the participant continually overspends their designated IBA amount, despite the ICA's attempts to provide education and assistance. This reason for disenrollment may also be used in instances where a participant has been referred to the fraud allegation review and assessment (FARA) process.*

1. Remediation/Documentation Required: The ICA must provide documentation of their attempts to support the participant's budget authority skills over the course of the participant's enrollment.

a. Examples of documentation include case notes discussing the participant's IBA and their budget authority responsibilities, participant education forms, and other self-direction education materials.

IRIS Program Enrollment Policy (Policy P-03547 effective September 2024) at Section D.2 (available at <https://www.dhs.wisconsin.gov/publications/p03547.pdf>).

It is clear on this record that petitioner authorized overbilling on her IRIS budget. The overbilling was all paid to her husband by an amount of more than \$4,000 over less than one year. Petitioner's testimony included the statements "I was never fully asked if I was aware of going over budget. I was asked if I signed the timesheets which, yes, I did. If I was offered or able to be back on I would double-check the time sheets, double go over the hours to make sure this would not happen again."

The record suggests that petitioner was well-aware of the overbilling or, at least, that she is not capable of managing her budget. I think the situation was likely both of these. This was not one or two weeks of overbilling. This was continual over the period of the plan year by approximately 12 hours of overbilling per week. This is either a situation of intentional overbilling or petitioner's willful ignorance of her husband's intentional overbilling. Either of these is mismanagement of IRIS funds. Petitioner has demonstrated that she is not the right person to be responsible for managing a budget of taxpayer dollars in a self-directed and self-managed program like IRIS.

CONCLUSIONS OF LAW

The agency did not err in its involuntary termination from the IRIS Program due to her budget mismanagement.

THEREFORE, it is

ORDERED

That this appeal is 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.

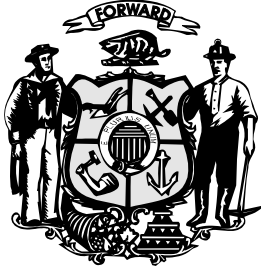
APPEAL TO COURT

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 _____
John Tedesco
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 February 3, 2026.

Bureau of Long-Term Support