



**STATE OF WISCONSIN
Division of Hearings and Appeals**

In the Matter of

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

DECISION
Case #: CWK - 220540

PRELIMINARY RECITALS

Pursuant to a petition filed on October 22, 2025, under Wis. Admin. Code § HA 3.03(1), to review a decision by the Milwaukee Enrollment Services regarding CWK, a hearing was held on November 25, 2025, by telephone.

The issue for determination is whether the agency erred in finding petitioner functionally ineligible for the CLTS program.

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: Luisana Waukau and Katie Fricker
Milwaukee Enrollment Services
1220 W Vliet St
Milwaukee, WI 53205

ADMINISTRATIVE LAW JUDGE:

Jason M. Grace
Division of Hearings and Appeals

FINDINGS OF FACT

1. Petitioner is a 11 year-old resident of Milwaukee County who lives with family. The petitioner is enrolled in the CLTS program.
2. Petitioner has medical diagnoses that include Anxiety Disorder, Attention-Deficit Hyperactivity Disorder, and Post-Traumatic Stress or Acute Stress Disorder.
3. On or about September 30, 2024, the county agency completed a functional screen of petitioner. It was found that petitioner was functionally eligible for the CLTS program, meeting the Mental Health Target Group.
4. On or about September 18, 2025, the county agency completed a new functional screen of petitioner. It was found that petitioner was no longer functionally eligible for the CLTS program.
5. On October 20, 2025, notice was issued to petitioner indicating that she was not eligible for the CLTS program.
6. On October 21, 2025, the functional screen was revised based on updated information provided by the petitioner's mother. The petitioner was found not functionally eligible for CLTS but was eligible for CCS.
7. On October 22, 2025, the petitioner appealed.

DISCUSSION

The CLTS program is one of Wisconsin's Home and Community-Based Services (HCBS) Medicaid Waiver programs, federally authorized under §1915(c) of the Social Security Act. The agency has drafted and released the Medicaid Home and Community-Based Services Waiver Manual for the CLTS Waiver Program (CLTS Manual). It can be found online at <https://www.dhs.wisconsin.gov/publications/p02256.pdf>.

To be functionally eligible for the CLTS program, the applicant must have a qualifying level of care (LOC) for at least one of three target groups: developmental disability (DD), physical disability (PD), or mental health disability (MHD). The LOCs are more fully fleshed out in the Institutional Levels of Care: Children's Long Term Support Programs in Wisconsin Guidelines (LOC Guidelines) at <https://www.dhs.wisconsin.gov/publications/p03027.pdf> and as stated in the Waiver itself at <https://www.dhs.wisconsin.gov/clts/waiver/clts-1915c-renewal.pdf>. A child's functional eligibility for the CLTS must be determined once every 12 months. CLTS Manual, §2.4.

The issue in dispute is whether the agency erred in finding petitioner functionally ineligible for the CLTS program. Petitioner had previously been found functionally eligible under the MHD target group. I will thus review eligibility under that target group, especially since there was no claim she met another target group.

The MHD target group requires the child to meet a psychiatric hospital level of care (LOC). CLTS Manual, § 2.3.3. To meet the Psychiatric Hospital-MHD LOC, all four of the following criteria must be met:

1. The child has a Diagnosis of a mental health condition.
2. The child's mental health diagnosis or related symptoms are expected to persist for a specific Duration of time.

3. The child is in need of Involvement with Service Systems related to mental health support.
4. The child exhibits Severe Symptomology or Dangerous Behaviors that require interventions at a specific intensity and frequency, and without this direct, community-based intervention, the child is at risk for institutionalization within a psychiatric hospital.

LOC Guidelines, pg. 10.

The processing of the functional screen is completed by an algorithm which is an operation completed by DHS. The agency representatives at hearing did not have specific knowledge as to what discrete factor, or combinations thereof, cause a person to be determined functionally eligible or ineligible as the “reasoning” was done by a computer program. All the administrative law judge can do in reviewing eligibility is to apply the Department’s LOC Guidelines to the evidence in the hearing record to determine if the petitioner is functionally eligible for the CLTS program.

The evidence in the record indicates that petitioner meets the first two criterion for the MHD target group: she has a qualifying mental health diagnosis and the diagnosis has persisted at least six months and is expected to continue for at least one year. LOC Guidelines, pgs. 10-12.

The LOC Guidelines provide the following relevant to Criterion 3 of the MHD target group:

Criteria 3: Involvement With Service Systems

The child must meet one of the following:

- The child must currently receive or require services in connection with their mental health diagnosis (or symptoms) from at least two of the following four Service Systems.
- The child must currently receive or require services in connection with their mental health diagnosis (or symptoms) from only one of the following four Service Systems, if the intensity of that service already is or is expected to be three hours or more per week.

Definition of require: *Require* is based on a professional’s recommendation that a specific service is essential to address the child’s mental health need(s). The recommendation must have been made within the past year and cannot be based solely on parental desire for services. Most children who require these services will be receiving them, but on occasion a parent or child cannot or will not participate in recommended services or the services are not available. If the parent or child hasn’t accessed recommended services for over 12 months, then this recommendation is no longer valid.

...

LOC Guidelines, pg. 12 (emphasis added).

The four Service Systems are Mental Health Services, Criminal Justice System, Formal/Informal Service Plan for In-School Supports, and Substance Abuse Services. Id.

The 2025 functional screens only identified the need for one Service System---Mental Health Services. The intensity level of 3 hours or more was also not marked as being met. The record indicates that currently petitioner is receiving a total of 2 hours/week of Mental Health Services, comprised of music therapy and counseling services. The evidence here does not contain competent evidence of a need for a service intensity greater than she is currently receiving.

There is also no indication that petitioner has an IEP or a Formal/Informal Service Plan for In-School Supports. Petitioner is currently attending school virtually. The LOC Guidelines indicate that the determination of whether a child requires a specific service or intensity thereof is based on a “professional’s recommendation.” LOC Guidelines, pg. 12 (see also above). The record does not contain the requisite “professional’s recommendation” for the need for such In-School Supports. Nor is there any evidence that petitioner requires services from either of the two remaining Service Systems of Criminal Justice System or Substance Abuse Services.

The record supports the need for services from one Support System, i.e., Mental Health Services, but not at the required intensity level of three hours or more per week. The record before me is not sufficient to find that petitioner meets Criterion 3 (Involvement with Service Systems) for the MHD target group. Thus, I am not able to find that the agency erred in its determination that petitioner is functionally ineligible for the CLTS program.

CONCLUSIONS OF LAW

The record does not demonstrate that the agency erred in its finding that petitioner is functionally ineligible for the CLTS program.

THEREFORE, it is **ORDERED**

That the petitioner’s 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.

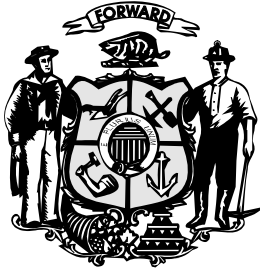
APPEAL TO COURT

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 8th day of January, 2026

\s _____
Jason M. Grace
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 January 8, 2026.

Milwaukee Enrollment Services
Bureau of Long-Term Support

