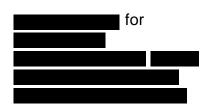
# STATE OF CONNECTICUT DEPARTMENT OF SOCIAL SERVICES OFFICE OF LEGAL COUNSEL, REGULATIONS, AND ADMINISTRATIVE HEARINGS 55 FARMINGTON AVENUE HARTFORD, CT 06105-3725

, 2017 Signature Confirmation

Client ID # Request # 830757

# **NOTICE OF DECISION**

## <u>PARTY</u>



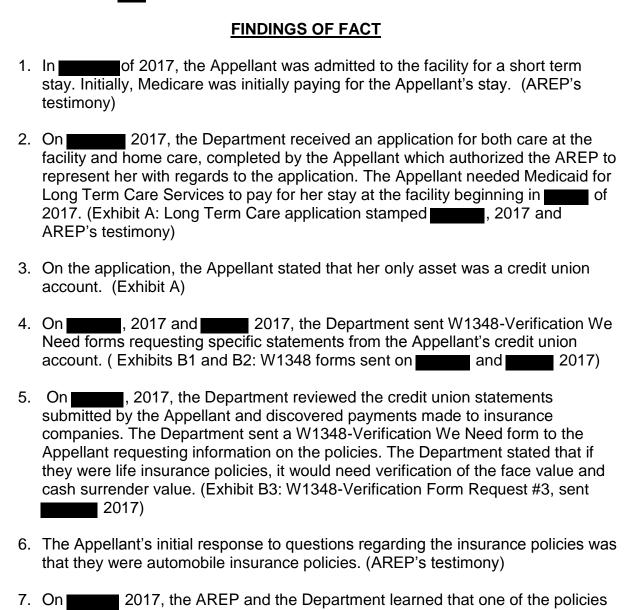
## PROCEDURAL BACKGROUND



The hearing record remained open for the submission of additional evidence. On 2017, the record closed.

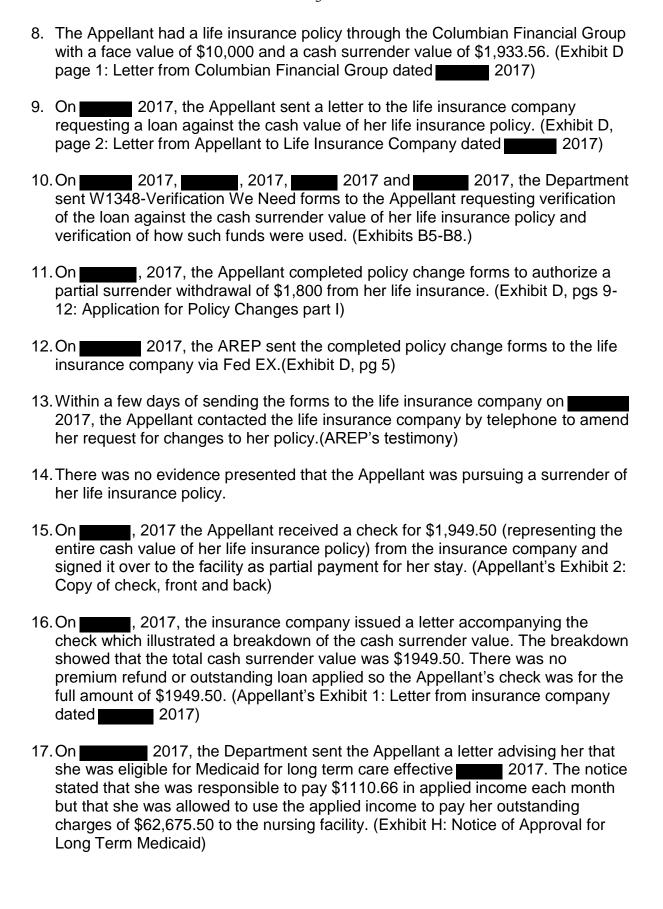
# STATEMENT OF THE ISSUE

The issue to be decided is whether the Department's decision to grant Long Term Care benefits effective 2017 was correct.



was a life insurance policy. The Department sent a W1348-Verification We Need form requesting the face value and cash surrender value of the life insurance policy. (Exhibit 4: W1348-Verification We Need form Request # 4 sent

2017 and Exhibit C: Case Narrative)



18. On	2017, the Appellant com	mpleted paperwork to change the	
beneficia	ries of her life insurance policy ar	and establish an irrevocable funeral	
contract.	(Appellant's Exhibit 4: Estimate fi	from Funeral Service:	s
and Exhib	oit 5: Application for Policy Chang	nges signed 2017)	

#### **CONCLUSIONS OF LAW**

- Section 17b-2 of the Connecticut General Statutes, authorizes the Department of Social Services to administer the Medicaid program pursuant to Title XIX of the Social Security Act.
- 2. Uniform Policy Manual ("UPM") Section 4030 provides that the Department evaluates all types of assets available to the assistance unit when determining the unit's eligibility for benefits.
- 3. UPM § 4005.10 provides that the Medicaid asset limit for a needs group of one is \$1,600.00 per month.
- 4. UPM § 4030.30 C 1 and 2 provides that unless the total value of all life insurance policies owned by an individual does not exceed \$1500, the cash surrender value of life insurance policies owned by the individual is counted towards the asset limit.
- 5. UPM § 4005.05 (D) (1) provides that the Department compares the assistance unit's equity in counted assets with the program asset limit when determining whether the unit is eligible for benefits.
- 6. Section 17b-261h of the Connecticut General Statutes states in part that an institutionalized individual shall not be determined ineligible for Medicaid solely on the basis of the cash value of a life insurance policy worth less than ten thousand dollars provided [(1)] the individual is pursuing the surrender of the policy and (2) upon surrendering such policy all proceeds of the policy are used to pay for the institutionalized individual's long term care.
- 7. The Department was correct when it determined that the cash surrender value of the Appellant's life insurance policy was counted towards the asset limit.
- 8. UPM § 4005.15 provides that in the Medicaid program, at the time of application, the assistance unit is ineligible until the first day of the month in which it reduces its equity in counted assets to within the asset limit.
- 9. The Department was correct when it determined that the Applicant was ineligible for Medicaid for Long Term Care for the months of through through of 2017 because the cash surrender value of her life insurance policy exceeded the allowable asset limit and she was not pursuing the surrender of her policy.

- 10. The Department correctly determined that the Applicant's assets were reduced to below \$1600 in of 2017.
- 11. The Department correctly granted Medicaid for Long Term Care effective 2017.

### **DISCUSSION**

The Appellant did not initially admit to having a life insurance policy. After the policy was discovered and she learned that the cash value would preclude her from being eligible for Medicaid for Long Term Care, she agreed to use the funds from the cash value to pay towards her stay at the facility. When this occurred in of 2017, she effectively reduced her assets and became eligible for Medicaid at that point. The regulations state that the life insurance policy cash value will be excluded if an individual is pursuing the surrender of the policy. The Appellant was not pursuing the surrender of the policy. The evidence indicates that her intention was to take a loan against the policy. The Appellant initially requested a loan of \$1800, then \$1900 and it appears that she ultimately received the entire cash value amount. Although she received the funds, the policy was still in effect as evidenced by paperwork to change of 2017. beneficiaries filed in The authorized representative testified that the Appellant was not forthcoming with information regarding the life insurance policy because she wanted to retain the funds for her final expenses. The Appellant was not pursuing the surrender of the policy. While this had the unfortunate result that the facility was not paid for the months of through , the Department was correct in considering the cash surrender value of the policy and finding that the Appellant was ineligible until she reduced those assets in of 2017.

#### **DECISION**

The Appellant's appeal is **DENIED**.

Maureen Foley-Roy,
Maureen Foley-Roy,
Hearing Officer

Pc: Brian Sexton, Lisa Wells, Operations Managers, R. O. #20, New Haven Cheryl Stuart, Program Manager, New Haven Noah Cass, Eligibility Specialist, DSS, Hartford

# RIGHT TO REQUEST RECONSIDERATION

The appellant has the right to file a written reconsideration request within **15** days of the mailing date of the decision on the grounds there was an error of fact or law, new evidence has been discovered or other good cause exists. If the request for reconsideration is granted, the appellant will be notified within 25 days of the request date. No response within 25 days means that the request for reconsideration has been denied. The right to request a reconsideration is based on §4-181a (a) of the Connecticut General Statutes.

Reconsideration requests should include <u>specific</u> grounds for the request: for example, indicate <u>what</u> error of fact or law, <u>what</u> new evidence, or <u>what</u> other good cause exists.

Reconsideration requests should be sent to: Department of Social Services, Director, Office of Administrative Hearings and Appeals, 25 Sigourney Street, Hartford, CT 06106-5033.

## **RIGHT TO APPEAL**

The appellant has the right to appeal this decision to Superior Court within 45 days of the mailing of this decision, or 45 days after the agency denies a petition for reconsideration of this decision, provided that the petition for reconsideration was filed timely with the Department. The right to appeal is based on §4-183 of the Connecticut General Statutes. To appeal, a petition must be filed at Superior Court. A copy of the petition must be served upon the Office of the Attorney General, 55 Elm Street, Hartford, CT 06106 or the Commissioner of the Department of Social Services, 25 Sigourney Street, Hartford, CT 06106. A copy of the petition must also be served on all parties to the hearing.

The 45 day appeal period may be extended in certain instances if there is good cause. The extension request must be filed with the Commissioner of the Department of Social Services in writing no later than 90 days from the mailing of the decision. Good cause circumstances are evaluated by the Commissioner or the Commissioner's designee in accordance with §17b-61 of the Connecticut General Statutes. The Agency's decision to grant an extension is final and is not subject to review or appeal.

The appeal should be filed with the clerk of the Superior Court in the Judicial District of New Britain or the Judicial District in which the appellant resides.