

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

██████████ 2016
Signature Confirmation

Client ID # ██████████
Request # 735021

Cross Reference #734538

NOTICE OF DECISION

PARTY

██████████
████████████████████
████████████████████

PROCEDURAL BACKGROUND

On ██████████ 2015, the Department of Social Services (the "Department") sent ██████████ (the "Appellant") a Notice of Action ("NOA) denying her application for medical assistance.

On ██████████ 2015, the Appellant requested an administrative hearing to contest the denial of said benefits.

On ██████████ ██████████ 2015, the Office of Legal Counsel, Regulations, and Administrative Hearings ("OLCRAH") issued a notice scheduling an administrative hearing for ██████████ 2015.

The Appellant requested that OLCRAH reschedule the ██████████ 2015 hearing. OLCRAH granted this request.

On ██████████ 2015, OLCRAH issued a notice of rescheduled hearing. OLCRAH rescheduled the Appellant's hearing to ██████████ 2016.

On ██████████ 2016, in accordance with sections 17b-60, 17-61 and 4-176e to 4-189 inclusive, of the Connecticut General Statutes, OLCRAH held an administrative hearing.

The following individuals were present at the hearing:

██████████, Appellant
██████████ Appellant's Daughter
Mark Blake, Department's Representative,
Pamela J. Gonzalez, Hearing Officer

STATEMENT OF THE ISSUE

The issue is whether the Department correctly denied the Appellant's application for medical assistance due to excess assets.

FINDINGS OF FACT

1. The Appellant was receiving Aid to the Aged, Blind and Disabled ("AABD") benefits as an assistance unit of one member. (Notice dated ██████████ 2015 – Department's exhibit B)
2. On ██████████ 2015, the Appellant received a \$3,636.19 lawsuit settlement. (Eligibility Management System NARR screen print – Department's exhibit A, Appellant's testimony)
3. The Appellant put the proceeds she received from the lawsuit settlement into her account at Bank of America. (Appellant's testimony)
4. On ██████████ 2015, the Department learned that the Appellant received a settlement and sent a notice discontinuing AABD benefits effective ██████████ 2015 because her assets were in excess of the AABD program limit. (Department's exhibit B)
5. Due to the discontinuance of the Appellant's AABD, the Department screened an application for medical assistance as of ██████████ 2015. (Department's exhibit B)
6. On ██████████ 2015, the Department notified the Appellant that she was not eligible to receive medical assistance in ██████████ 2015 because the value of her assets exceeds the program asset limit. (Department's exhibit B)
7. On ██████████ 2015, the Appellant contacted the Department regarding her request for medical benefits. (Department's exhibit A, Appellant's testimony)
8. On ██████████ 2015, the Department asked the Appellant for verification of how she spent the settlement money and verification of her bank account balances. (Department's exhibit A)

9. At the hearing, the Appellant provided copies of her Bank of America account statements. (Bank statements - Appellant's exhibit 2)
10. In ██████████ 2015, the Appellant's two bank accounts with Bank of America together held \$2,493.95. (Appellant's exhibit 2)
11. The Appellant's Social Security of \$587.00 and Supplemental Security Income of \$166.00 are directly deposited into the Appellant's Bank of America account. (Appellant's exhibit 2)
12. In ██████████ 2015, after deducting the Appellant's directly deposited income, the balance in her Bank of America account totals \$1,740.95. (Appellant's exhibit 2)
13. In ██████████ 2015, the Appellant's two bank accounts with Bank of America together held \$476.64. (Appellant's exhibit 2)
14. Prior to this hearing, the Appellant had not provided documentation to the Department to show how and when she spent the settlement money. (Appellant's testimony, Hearing record)
15. At this hearing, the Appellant provided rent receipts to verify that she paid for two months back rent in ██████████ 2015 and has paid rent for the months of ██████████ 2015 – ██████████ 2016. (Rent receipts – Appellant's exhibit 1, Appellant's testimony)
16. Since her benefits have stopped, the Appellant has been paying \$20.00 every three days for transportation to the methadone clinic and has been paying co-pays to her psychiatrist as needed. (Rent receipts – Appellant's exhibit 1, Appellant's testimony)

CONCLUSIONS OF LAW

1. Section 17b-2 of the Connecticut General Statutes provides that the Department of Social Services is designated as the state agency for the administration of the Medicaid program pursuant to Title XIX of the Social Security Act.
2. Uniform Policy Manual ("UPM") § 4030.45(A)(1)(a) provides that lump sum payments include but are not limited to: settlement of personal injury or property claim.
3. Uniform Policy Manual ("UPM") § 5050.65(D)(1)(b) provides that lumps sums received in the month of application or after are treated as income in the month of receipt.

4. UPM § 5050.65(D)(2)(c) provides that when the lump sum is unearned income, the lump sum amount is: (1). added to any other gross unearned income received in the same month as the lump sum; and (2). adjusted by subtracting any appropriate deductions and disregards from the total.
5. UPM § 5050.65(D)(3) discusses categorically needy coverage groups and provides:
 - a. The total applied earned and unearned income in the month of receipt of the lump sum, which includes the remaining portion of the lump sum, is compared to the CNIL for the same month.
 - b. If the total income is equal to or does not exceed the CNIL, the assistance unit is eligible as categorically needy. In this case, any portion of the lump sum which remains in the unit's possession in the month following the month of receipt is treated as an asset.
 - c. If the total income is equal to or exceeds the CNIL, the assistance unit is not eligible as categorically needy for that month, and eligibility under a medically needy coverage group must be established.
6. The Department failed to determine whether the Appellant is eligible for medical assistance as categorically needy.
7. UPM § 5050.65(D)(4) discusses medically needy coverage groups and provides:
 - a. The total applied earned and unearned income in the month of receipt of the lump sum, which includes the remaining portion of the lump sum, is added to all other income the unit expects to receive during the next five months.
 - b. The total applied income for the six month period is compared to the total MNIL for the same six month period for the needs group.
 - c. If the total income does not exceed the total of the MNIL for the same period, the assistance unit is eligible for assistance for the six month period of eligibility.
 - d. If the total income exceeds the MNIL, spenddown rules are followed to determine when benefits can begin (Cross Reference: 5520.20).
 - e. After the six month period of eligibility, any portion of the lump sum which is retained by the unit is treated as an asset.
8. The Department failed to determine whether the Appellant is eligible for medical assistance as medically needy.

9. For medical assistance eligibility purposes, the Department incorrectly considered the Appellant's lump sum to an asset in [REDACTED] 2015.
10. The Department incorrectly denied the Appellant's medical application.

DISCUSSION

The Department denied the Appellant's request for medical assistance because her assets, including proceeds from a lawsuit settlement, exceed the program asset limit.

The Appellant testified that she received a lump sum payment of \$3,636.19 in [REDACTED] 2015 and that she put it in the bank but states that she no longer has any of the money.

Regulations provide that for medical assistance eligibility purposes, lumps sums are treated as income for the first six months of eligibility and an asset thereafter.

In this case, the Department incorrectly considered the Appellant's lump sum to be an asset in an amount exceeding the program limit and denied her application.

DECISION

This case is remanded for additional eligibility processing.

ORDER

The Department shall rescind its denial of the Appellant's medical assistance application and shall process in accordance with this decision.

Compliance shall be shown by submission of verification that the [REDACTED]/15 application has been reopened and is due to OLRAH by [REDACTED] 2016.

OLCRAH will issue a separate decision to address the discontinuance of AABD benefits.

Pamela J. Gonzalez

Pamela J. Gonzalez
Hearing Officer

Copy: Musa Mohamud, SSOM, R.O. #10, Hartford
Elizabeth Thomas, SSOM, R.O. #10, Hartford
Patricia Ostroski, SSPM, R.O. #10, Hartford
Tricia Morelli, SSPM, R.O. #10, Hartford
Marc Blake, ESS/Hearing Liason, R.O. #10, 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 specific grounds for the request: for example, indicate what error of fact or law, what new evidence, or what other good cause exists.

Reconsideration requests should be sent to: Department of Social Services, Director, Office of Legal Counsel, Regulations, and Administrative Hearings, 55 Farmington Avenue, Hartford, CT 06105.

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, 55 Farmington Avenue, Hartford, CT 06105. 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 his 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.

