

STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES  
OFFICE OF LEGAL COUNSEL, REGULATIONS, AND ADMINISTRATIVE HEARINGS  
55 FARMINGTON AVENUE  
HARTFORD, CT 06106-5033

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

Client ID # ██████████  
Hearing Id. # 741321

**NOTICE OF DECISION**

**PARTY**

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

**PROCEDURAL BACKGROUND**

On ██████████ 2015, the Department of Social Services (the "Department") issued ██████████ (the "Appellant") a Notice of Action stating that he must meet a spend-down before his Medical Assistance for the Aged, Blind and Disabled ("MAABD") can be activated.

On ██████████ 2015, the Appellant requested an administrative hearing to contest the Department's action.

On ██████████ 2015, the Office of Legal Counsel, Regulations, and Administrative Hearings ("OLCRAH") issued a Notice scheduling an administrative hearing for ██████████ 2016.

On ██████████ 2016, in accordance with sections 17b-60, 17b-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  
Jessica Gulianello, Department's Representative  
Joseph Alexander, Department's Representative  
Swati Sehgal, Hearing Officer

The hearing record remained open for the submission of additional evidence. Additional evidence was received and on [REDACTED] 2016 the hearing record closed.

### **STATEMENTS OF THE ISSUE**

The issue to be decided is whether the Appellant must meet a spend-down amount before being eligible for MAABD because the Department has determined that his applied income exceeds the Medically Needy Income Limit (“MNIL”) for Medicaid.

### **FINDINGS OF FACT**

1. The Appellant is requesting medical assistance for himself. (Department’s summary and Appellant’s testimony)
2. The Appellant is disabled. (Hearing Record, Appellant’s testimony)
3. The Appellant resides in [REDACTED] CT. (Exhibit 2: copy of notice content dated [REDACTED]/15, Appellant’s testimony)
4. The Appellant receives \$651 a month in Social Security Disability and \$535 a month in Social Security Survivor benefit. (Appellant’s testimony, Department’s summary)
5. The Appellant is active on the Qualified Medicare Beneficiary (“QMB”) program which covers the cost of his Medicare B premium and copays. (Exhibit 4: copy of client participation screen, Appellant’s testimony)
6. On [REDACTED] 2015, the Department determined that the Appellant has a Medicaid spend-down of \$1953.72 for the period from [REDACTED] 2015, through [REDACTED] 2016. (Exhibit 2: Notice of Action dated [REDACTED]/15 and Department’s summary)
8. The Appellant received dental treatment and took a loan from his mother to pay the provider, is responsible to pay back loan. (Appellant’s testimony)

### **CONCLUSIONS OF LAW**

1. Section 17b-2 of the Connecticut General Statutes authorizes the Commissioner of the Department of Social Services to administer the Medicaid program.

2. Uniform Policy Manual (“UPM”) § 2540.01(C) provides that individuals qualify for medical assistance (“MA”) as medically needy if:
  1. their income or assets exceed the limits of the Aid to Families with Dependent Children (“AFDC”) or Aid to the Aged, Blind and Disabled (“AABD”) programs; and
  2. their assets are within the medically needy asset limit; and
  3. their income either:
    - a. is within the Medically Needy Income Limit (“MNIL”); or
    - b. can be reduced to the MNIL by a spend-down of medical expenses.
3. UPM § 5515.05 C 2 a and b provides in part that the needs group for an Medical Assistance for the Aged, Blind and Disabled (“MAABD”) unit includes the applicant or recipient and the spouse of the applicant or recipient when they share the same home regardless of whether one or both applying for or receiving assistance, except in cases involving working individuals with disabilities.
4. The Department correctly determined that the Appellant is in a needs group of one person.
5. UPM § 4530.15(A) provides that a uniform set of income standards is established for all assistance units who do not qualify as categorically needy. It further states that the MNIL of an assistance unit varies according to the size of the assistance unit and the region of the state in which the assistance unit resides.
6. UPM § 4510.10(A) provides that the standard of need which is applicable to a particular assistance unit is based on: a. the current region of residence; and b. the appropriate needs group size
7. UPM § 4530.15(B) provides that the medically needy income limit is the amount equivalent to 143 percent of the benefit amount that ordinarily would be paid under the TFA program to an assistance unit of the same size with no income for the appropriate region of residence.
8. UPM § 4510.10(B) provides that ██████████ is in Region B.
9. The Department correctly determined that the Appellant resides in Region B.
10. The Temporary Family Assistance grant for one residing in Region B is \$366.
11. The MNIL for the Appellant’s assistance unit of one person residing in Region B is \$523.38 ( $\$366 * 143\%$ ) effective ██████████ 2014.
12. The Department correctly determined that the MNIL for the Appellant’s needs group of one person was \$523.38

13. UPM § 5050.13(A) provides that income from Social Security and Veterans' benefits are treated as unearned income in all programs. It further states that this income is subject to unearned income disregards in the AABD and MAABD programs.
14. The Department correctly determined that the Appellant's total monthly unearned income is \$1186 (651+535).
15. UPM § 5030.15( B)(1)(a) provides that the disregard is \$337.00 for those individuals who reside in their own homes in the community or who live as roomers in the homes of others and those who reside in long term care facilities, shelters for the homeless or battered women shelters. Effective January 1, 2008, and each January 1<sup>st</sup> thereafter, this disregard shall be increased to reflect the annual cost of living adjustment used by the Social Security Administration.
16. The Department correctly applied the standard unearned income disregard of \$337.00 per month to the Appellant's income.
17. The Department correctly determined that the Appellant's applied income was \$849.00 per month (\$1186 - \$337.00).
18. UPM § 5520.20(B)(1) provides that a six-month period for which eligibility will be determined is established to include the month of application and the five consecutive calendar months which follow.
19. UPM § 5520.20(B)(5) provides that the total of the assistance unit's applied income for the six-month period is compared to the total of the MNIL's for the same six-months.
20. UPM § 5520.20(B)(5)(b) provides that when the unit's total applied income is greater than the total MNIL, the assistance unit is ineligible until the excess income is offset through the spend-down process.
21. UPM § 5520.25(B) provides that when the amount of the assistance unit's monthly income exceeds the MNIL, income eligibility for a medically needy assistance unit does not occur until the amount of excess income is offset by medical expenses. This process of offsetting is referred to as a spend-down.
22. The Department correctly determined that the Appellant's applied income of \$849 exceeded the MNIL of 523.38 by \$325.62 (849.00-523.38).
23. The Department correctly determined that the Appellant's six-month spend-down amount is \$1,953.72 (\$325.62 x 6 months) for the period from [REDACTED] 2015 through [REDACTED] 2016.
24. UPM § 5520.25(B)(1) provides that medical expenses are used for a spend-down if they meet the following conditions:

- a. the expenses must be incurred by a person whose income is used to determine eligibility;
- b. any portion of an expense used for a spend-down must not be payable through third party coverage unless the third party is a public assistance program totally financed by the State of Connecticut or by a political subdivision of the State;
- c. there must be current liability for the incurred expenses, either directly to the provider(s) or to a lender for a loan used to pay the provider(s), on the part of the needs group members;
- d. the expenses may not have been used for a previous spend-down in which their use resulted in eligibility for the assistance unit.

25. UPM §5520.25(B) (2) Provides that The unpaid principal balance which occurs or exists during the spend-down period for loans used to pay for medical expenses incurred before or during the spend-down period, is used provided that:

- a. the loan proceeds were actually paid to the provider; and
- b. the provider charges that were paid with the loan proceeds have not been applied against the spend-down liability; and
- c. the unpaid principal balance was not previously applied against spend-down liability, resulting in eligibility being achieved.

26. The Appellant did not provide any medical expenses prior to the hearing for the Department to use for his spend-down.

### **DISCUSSION**

The Department was correct when it determined that the Appellant's income exceeds the allowable limit and he must meet a spend-down before becoming eligible for Medicaid. However the Appellant stated during the hearing that he was treated for a dental emergency, and he took a loan from his mother to pay for the treatment. The Appellant further stated that he is responsible to pay that loan back. The Appellant provided a printout from his dental provider substantiating his claim that he had received treatment between [REDACTED]/15 and [REDACTED] 15 and incurred the expenses in the amount of \$1150.00. The Appellant further stated that he paid for that treatment with a loan from his mother.

State Policy clearly states that medical expenses are used for a spend-down if there is current liability for the incurred expenses, either directly to the provider(s) or to a lender for a loan used to pay the provider(s), on the part of the needs group members. The Department is instructed to review the medical bills and adjust the Appellant's spend-down amount.

The Appellant affirmed that he has serious dental issues and needs further medical assistance. While this unfortunately true, he must meet the requirement of off-setting his

spend-down amount through the use of medical expenses. He should continue to send any medical expenses he incurs to the Department.

**DECISION**

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

*swati sehgal*  
Swati Sehgal  
Hearing Officer

Cc: Poonam Sharma, Operations Manager, Bridgeport, RO#30  
Fred Presnick, Operations Manager, Bridgeport, RO#30  
Yecenia Acosta, Program Manager, Bridgeport, RO#30  
Cheryl Stuart, Program Manager, Bridgeport, RO#30  
Jessica Gulianello, Fair Hearing Liaison, Bridgeport, RO#30

### **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 Administrative Hearings and Appeals, 55 Farmington Avenue, Hartford, CT 06105-3725.

### **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 Ave, 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 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.

