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

[redacted] **2016**
Signature Confirmation

Client ID # [redacted]
Application # [redacted]
Hearing Request # 784221

NOTICE OF DECISION

PARTY

[redacted]

PROCEDURAL BACKGROUND

On [redacted] 2016, the Health Insurance Exchange Access Health CT ("AHCT") sent a notice to [redacted] (the "Appellant") terminating the Medicaid/HUSKY B healthcare coverage for Caleb Rainey effective [redacted] 2016.

On [redacted] 2016, the Appellant requested a hearing to contest the termination of the Medicaid/HUSKY B healthcare coverage.

On [redacted] 2016, the Office of Legal Counsel, Regulations, and Administrative Hearings ("OLCRAH") issued a notice scheduling the administrative hearing for [redacted] 2016.

On [redacted] 2016, in accordance with sections 17b-60, 17b-61, and 4-176e to 4-189, inclusive, of the Connecticut General Statues, OLCRAH held an administrative hearing. The following individuals participated in the hearing:

[redacted] Appellant
Rita Baboolal, AHCT Representative
Carla Hardy, Hearing Officer

The Hearing Record was left open for the submission of additional information. The record closed on [redacted] 2016.

STATEMENT OF THE ISSUE

The issue to be decided is whether AHCT correctly discontinued the Medicaid/HUSKY B healthcare coverage effective [redacted] 2016.

FINDINGS OF FACT

1. The Appellant's household consists of three members that include herself, her spouse and one minor child, [redacted] (Exhibit A: Application # [redacted], [redacted]/16).

2. On [redacted] 2016, the Appellant was approved for HUSKY A/Medicaid for Pregnant Women. Her spouse was approved for a Qualified Health Plan ("QHP") with Advanced Premium Tax Credits ("APTC"). [redacted] was approved for HUSKY B/Children's Health Insurance Program ("CHIP") – Band 2. The Appellant reported her household income totaled $4,662.00 per month (Exhibit F: Change Reporting Eligibility Decision for Healthcare Coverage notice, [redacted]/16).

3. The Appellant is pregnant and her due date is [redacted] 2016 (Appellant's Testimony).

4. AHCT requested proof of the Appellant's household income. The Appellant supplied copies of her paystubs in [redacted] 2016 (Appellant's Testimony).

5. On [redacted] 2016, the Appellant's newly attested household income totaled $5,716.00 (Exhibit B: NOA, [redacted]/16).

6. [redacted] was eight years old (DOB [redacted]/08) on the date of this hearing (Exhibit A).

7. [redacted] is not covered under the Appellant's health insurance (Exhibit A).

8. [redacted] does not qualify for Medicaid/HUSKY A healthcare coverage (Exhibit B).

9. The Federal Poverty Limit ("FPL") for a three person household is $1,680.00 per month (Federal Register).

CONCLUSIONS OF LAW

1. Section 17b-260 of the Connecticut General Statutes ("CGS") provides for acceptance of federal grants for medical assistance. The Commissioner of Social Services is authorized to take advantage of the medical assistance programs provided in Title XIX, entitled "Grants to States for Medical Assistance Programs", contained in the Social Security Amendments of 1965 and may administer the same in accordance with the requirements provided therein, including the waiving, with respect to the amount paid for medical care, of provisions concerning recovery from beneficiaries or their estates, charges and recoveries against legally liable relatives, and liens against property of beneficiaries.

2. Section 17b-264 of the CGS provides for the extension of other public assistance provisions. All of the provisions of sections 17b-22, 17b-75 to 17b-77, inclusive, 17b-79 to 17b-83, inclusive, 17b-85 to 17b-103, inclusive, and 17b-600 to 17b-604, inclusive, are extended to the medical assistance program except such provisions as are inconsistent with federal law and regulations governing Title XIX of the Social Security Amendments of 1965 and sections 17b-260 to 17b-262, inclusive, 17b-264 to 17b-285, inclusive, and 17b-357 to 17b-361, inclusive.

3. Title 45 of the Code of Federal Regulations ("CFR") § 155.505(c)(1) provides that Exchange eligibility appeals may be conducted by a State Exchange appeals entity or an eligible entity described in paragraph (d) of this section that is designated by the Exchange, if the Exchange establishes an appeals process in accordance with the requirements of this subpart.

4. 45 CFR § 155.505(d) provides that an appeals process established under this subpart must comply with § 155.110(a).

5. 45 CFR § 155.110(a)(2) provides that the State may elect to authorize an Exchange established by the State to enter into an agreement with an eligible entity to carry out one or more responsibilities of the Exchange. Eligible entities are: the State Medicaid agency, or any other State agency that meets the qualification of paragraph (a)(1) of this section.

6. 42 CFR § 457.310 provides for the targeted low-income child.
   (a) a targeted low-income child is a child who meets the standards set forth below and the eligibility standards established by the State under §457.320.
   (b) Standards. A targeted low-income child must meet the following standards:
      (1) Financial need standard. A targeted low-income child
         (i) Has a household income, as determined in accordance with §457.315 of this subpart, at or below 200 percent of the Federal poverty level for a family of the size involved.
         (ii) Resides in a State with no Medicaid applicable income level;
         (iii) Resides in a State that has a Medicaid applicable income level and has a household income that either-

(A) Exceeds the Medicaid applicable income level for the age of such child, but not by more than 50 percentage points; or
(B) Does not exceed the income level specified for such child to be eligible for medical assistance under policies of the State plan under title XIX on June 1, 1997.

(2) No other coverage standard. A targeted low-income child must not be—
(i) Found eligible or potentially eligible for Medicaid under policies of the State plan (determined through either the Medicaid application process or the screening process described at §457.350; or
(ii) Covered under a group health plan or under health insurance coverage, as defined in section 2791 of the Public Health Service Act, unless the plan or health insurance coverage program has been in operation since before July 1, 1997 and is administered by a State that receives no Federal funds for the program's operation. A child is not considered covered under a group health plan or health insurance coverage if the child does not have reasonable geographic access to care under that plan.

7. [redacted] is not eligible for Medicaid or covered under a group health plan or other health insurance coverage.

8. 42 CFR § 457.320(a) provides for eligibility standards. To the extent consistent with title XXI of the Act and except as provided in paragraph (b) of this section, the State plan may adopt eligibility standards for one or more groups of children related to-
(1) Geographic area(s) served by the plan;
(2) Age (up to, but not including, age 19);
(3) Income;
(4) Spenddowns;
(5) Residency, in accordance with paragraph (d) of this section;
(6) Disability status, provided that such standards do not restrict eligibility;
(7) Access to, or coverage under, other health coverage; and
(8) Duration of eligibility, in accordance with paragraph (e) of this section.

9. [redacted] is under the age of 19.

10. 42 CFR § 457.315 provides for the application of modified adjusted gross income and household definition.

(a) Effective January 1, 2014, the State must apply the financial methodologies set forth in paragraphs (b) through (i) of §435.603 of this chapter in determining the financial eligibility of all individuals for CHIP. The exception to application of such methods for individuals for whom the State relies on a finding of income made by an Express Lane agency at §435.603(j)(1) of this subpart also applies.

(b) In the case of determining ongoing eligibility for enrollees determined eligible for CHIP on or before December 31, 2013, application of the financial methodologies set forth in this section will not be applied until March 31, 2014 or the next regularly-scheduled renewal of eligibility for such individual under §457.343, whichever is later.

11. 42 CFR § 435.603(e) provides that MAGI-based income means income calculated using the same financial methodologies used to determine modified adjusted gross income as defined in section 36B(d)(2)(B) of the Code, with the following exceptions-

(1) An amount received as a lump sum is counted as income only in the month received.
(2) Scholarships, awards, or fellowship grants used for education purposes and not for living expensed are excluded from income.
(3) American Indian/Alaska Native exceptions. The following are excluded from income:
    (i) Distributions from Alaska Native Corporations and Settlement Trusts;
    (ii) Distributions from any property held in trust, subject to Federal restrictions, located within the most recent boundaries of a prior Federal reservation, or otherwise under the supervision of the Secretary of the Interior;
    (iii) Distributions and payments from rents, leases, rights of way, royalties, usage rights, or natural resource extraction and harvest from –
        (A) Rights of ownership or possession in any lands described in paragraph (e)(3)(ii) of this section; or
        (B) Federally protected rights regarding off-reservation hunting, fishing, gathering, or usage of natural resources;
    (iv) Distributions resulting from real property ownership interests related to natural resources and improvements –
        (A) Located on or near a reservation or within the most recent boundaries of a prior Federal reservation; or
        (B) Resulting from the exercise of federally-protected rights relating to such real property ownership interests;
    (v) Payments resulting from ownership interests in or usage rights to items that have unique religious, spiritual, traditional, or cultural significance or rights that support subsistence or a traditional lifestyle according to applicable Tribal Law or custom;
    (vi) Student financial assistance provided under the Bureau of Indian Affairs education programs.

12. Section 36B(d)(2)(B) of the Internal Revenue Code (the "Code") provides that the term "modified adjusted gross income" means adjusted gross income increased by-
    (i) Any amount excluded from gross income under section 911,
    (ii) Any amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax, and
    (iii) An amount equal to the portion of the taxpayer's social security benefits (as defined in section 86(d)) which is not included in gross income under section 86 for the taxable year.

13. The Appellant does not have any additional income that should be added to her adjusted gross income to arrive at her modified adjusted gross income ("MAGI").

14. The Appellant's MAGI equals $5,716.00 per month.

15. 42 CFR §435.603(d) provides for the application of the household's modified adjusted gross income ("MAGI"). A state must subtract an amount equivalent to 5 percentage points of the Federal poverty level for the applicable family size.

16. Five percent of the FPL for a three person household equals $84.00 ($1,680.00 x .05).

17. The Appellant's applicable MAGI equals $5,632.00 ($5,716.00 - $84.00).

18. State Plan Amendment ("SPA") # 14-0007MM7 provides in part that the income limit for HUSKY B-band 2 is between 250 and 318 percent of the FPL for the applicable household size.

19. Three hundred eighteen percent of $1,680.00 equals $5,342.00 ($1,680.00 x 3.18 rounded to the nearest dollar).

20. The Appellant's $5,632.00 MAGI exceeds the $5,342.00 income limit for a three person household.

21. AHCT correctly determined the Appellant's $5,632.00 MAGI exceeded the $5.342.00 income limit.

22. AHCT correctly discontinued the HUSKY B-band 2 healthcare coverage.

DISCUSSION

The Appellant's current modified adjusted gross income exceeds the income limit for HUSKY Y B-band 2 healthcare coverage for a household of three. The Appellant is pregnant with a [redacted] 2016 due date. It is recommended that she contact AHCT immediately upon delivery of her child as that event may change healthcare coverage for [redacted] AHCT correctly determined the Appellant's income exceeded the income limit and discontinued the HUSKY B-band 2 coverage.

DECISION

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

Carla Hardy
Carla Hardy
Hearing Officer

Pc: Rita Baboolal, Health Insurance Exchange Access Health CT

APTC/CSR

Right to Appeal

For APTC or CSR eligibility determinations, the Appellant has the right to appeal to the United States Department of Health and Human Services (HHS) within 30 days of the date of this decision. To obtain an Appeal Request Form, go to https://www.healthcare.gov/can-i-appeal-a-marketplace-decision/ or call 1-800-318-2596 (TTY: 1-855-889-4325). HHS will let the Appellant know what it decides within 90 days of the appeal request. There is no right to judicial review of the decision by HHS.

There is no right to request reconsideration for denials or reductions of Advanced Premium Tax Credits (APTC) or Cost Sharing Reduction (CSR).

MEDICAID AND CHIP

Right to Request Reconsideration

For denials or reductions of MAGI Medicaid and CHIP, 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 06105-3725.

There is no right to request reconsideration for denials or reductions of Advanced Premium Tax Credits (APTC) or Cost Sharing Reduction (CSR).

Right to Appeal

For denials, terminations or reductions of MAGI Medicaid and CHIP eligibility, 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.