

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 # ██████████  
Hearing ID # 792297

NOTICE OF DECISION

PARTY

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

PROCEDURAL BACKGROUND

On ██████████ 2016, the Department of Social Services (the "Department") sent ██████████ (the "Appellant") a Notice of Action ("NOA") advising him that he must meet a spend-down before his Medical Assistance for the Aged, Blind and Disabled ("MAABD") can be activated.

On ██████████ 2016, the Appellant requested an administrative hearing to contest the Department's action.

On ██████████ ██████████ 2016, the Office of Legal Counsel, Regulations, and Administrative Hearings ("OLCRAH") issued a Notice scheduling the 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  
Joseph Alexander, Department's Representative  
Jessica Gulianello, Department's Representative  
James Hinckley, Hearing Officer

### **STATEMENTS OF THE ISSUE**

1. The first issue is whether the Appellant's income exceeds the Medically Needy Income Limit ("MNIL") for Medicaid.
2. The second issue is whether the Appellant must meet a spend-down amount before being eligible for Medicaid.
3. The third issue is whether, when the Appellant submitted information regarding his medical expenses, the Department processed the information correctly, in accordance with its regulations.

### **FINDINGS OF FACT**

1. The Appellant is an unmarried individual who resides in [REDACTED] CT, and who meets the disability requirement to qualify for the Department's Medicaid for the Aged, Blind and Disabled program. (Hearing record)
2. The Appellant has gross unearned income from Social Security in 2016 of \$1,186.00 per month. (Ex. 3: MA Financial Eligibility screen, Ex. 10: Narrative screen)
3. On [REDACTED] 2016, the Department issued a NOA to the Appellant advising him that his income was too high for him to receive medical assistance for the period from [REDACTED] 2016 to [REDACTED] 2017, and that he must have medical bills that he owes or has recently paid totaling \$1,953.72 before his eligibility for medical assistance can begin. (Ex. 8: NOA dated [REDACTED] 2016)
4. On [REDACTED] 2016, the Appellant provided the Department with a receipt from [REDACTED] [REDACTED] a dental office in [REDACTED] CT, verifying that he paid \$850.00 on [REDACTED] 2016 for dental services he received there. (Ex. 4: Receipt from [REDACTED] [REDACTED] Ex. 10)
5. On [REDACTED] 2016, the Appellant provided the Department with a Treatment Plan from [REDACTED] [REDACTED] estimating that dental services which the Appellant needs, but has not yet received, will cost \$4,547.00. (Ex. 5: Treatment Plan from [REDACTED] Ex. 10)
6. On [REDACTED] 2016, the Department applied the \$850.00 dental bill that the Appellant paid on [REDACTED] 2016 toward his medical assistance spend-down for the period from [REDACTED] 2016 to [REDACTED] 2016, because the bill was incurred and paid during that period of time. (Department testimony, Ex. 10)

7. On [REDACTED] 2016, the Department issued a NOA to the Appellant advising him that to qualify for medical assistance for the past period from [REDACTED] 2016 to [REDACTED] 2016, he must show medical bills totaling \$1,953.72 for the period that he paid or still owes, and that the Department already has proof of \$850.00 worth of medical bills, so he must show \$1,103.72 more before his medical assistance for the period can start. (Ex. 9: NOA dated [REDACTED] 2016)

### 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") § 5515.05(C)(2) provides in part that the needs group for an MAABD (Medical Assistance for the Aged, Blind and Disabled) 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 are applying for or receiving assistance, except in cases involving working individuals with disabilities.

**The Department was correct when it determined that the Appellant is an MAABD needs group of one person.**

3. 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 Medically Needy Income Limit ("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.
4. UPM § 4510.10(A)(3) 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.
5. 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.

6. 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 AFDC program to an assistance unit of the same size with no income for the appropriate region of residence.
7. UPM § 4510.10(A) provides that 1. The State of Connecticut is divided into three geographic regions on the basis of a similarity in the cost of housing. 2. Separate standards of need are established for each state region. 3. 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.
8. UPM § 4510.10(B) provides a regional breakdown of cities and towns in the state, and provides that the Appellant's city of residence, Bridgeport, is part of Region B.

**The Temporary Family Assistance Payment Standard for a household of one person with no income in Region B is \$366.00**

**The MNIL for a needs group of one person residing in Region B is \$523.38 (\$366.00, times 143%)**

9. UPM § 5050.13(A)(1) provides that Social Security benefits are treated as unearned income for all programs.

**The Department was correct when it determined that the Appellant's income consists of \$1,186.00 Social Security per month.**

10. UPM § 5050.13(A)(2) provides that Social Security income is subject to unearned income disregards in the Aid to the Aged, Blind, and Disabled ("AABD") and Medicaid for the Aid to the Aged, Blind, and Disabled ("MAABD") programs
11. UPM § 5030.15(A) provides that except as provided in section 5030.15 D., unearned income disregards are subtracted from the unit member's total gross monthly unearned income.
12. UPM § 5030.15(B)(1)(a) provides that the disregard is \$227.00 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.

**After annual adjustments for cost of living increases, the unearned income disregard for one person is \$337.00 effective [REDACTED] 2016.**

**The Appellant's applied income, after deducting the unearned income disregard from his Social Security income, is \$849.00 (\$1,186.00, minus \$337.00).**

13. 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.
14. 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.
15. 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.
16. 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.

**The Department was correct when it determined that the Appellant's applied income exceeds the MNIL by \$325.62 in each month (\$849.00 applied income, minus \$523.38 MNIL)**

**The Department was correct when it determined that, during the six-month period from [REDACTED] 2016 to [REDACTED] 2017, the Appellant's applied income exceeds the MNIL by \$1,953.72 (\$325.62 monthly excess, times six months)**

**The Department was correct when it determined that the Appellant is ineligible until the excess income during the six-month period from [REDACTED] 2016 to [REDACTED] 2016 is offset by medical bills through the spend-down process.**

17. 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.

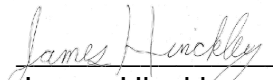
The Department was correct when it determined that the \$850.00 medical expense the Appellant paid to [REDACTED] on [REDACTED] 2016 could not be used toward the spend-down period covering [REDACTED] 2016 to [REDACTED] 2017. Expenses can only be used when the individual is liable for payment. Since the \$850.00 expense was already paid before the spend-down period began, the Appellant was longer liable for it. Excess income from a spend-down period can only be offset by expenses that the individual is liable to pay using income from that period.

The Department was correct when it determined that the \$850.00 medical expense the Appellant paid to [REDACTED] on [REDACTED] 2016 could be used toward the spend-down period covering [REDACTED] 2016 to [REDACTED] 2016. The Appellant incurred the expense during that time period, and actually used a portion of the excess income from that period to pay the expense. Therefore, the \$850.00 payment on [REDACTED] 2016 is properly used to offset the Appellant's excess income during the [REDACTED] 2016 to [REDACTED] 2016 period.

The Department was correct when it determined that the \$4,547.00 estimated cost of dental services which the Appellant needs to have performed cannot be used toward any spend-down period until the Appellant incurs an actual liability for any of the services. Excess income can only be offset by actual expenses owed, not by estimates of expenses that might be incurred at a later date.

### DECISION

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

  
James Hinckley  
Hearing Officer

cc: Poonam Sharma, SSOM, Bridgeport  
Fred Presnick, SSOM, Bridgeport  
Yecenia Acosta, SSPM, Bridgeport

### **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 Avenue Hartford, CT 06105-3725. 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.