

**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

REQUEST #793008-Husky C
Ex. Ref. REQUEST #793266-SNAP

CLIENT ID # [REDACTED]

NOTICE OF DECISION

PARTY

[REDACTED]
[REDACTED]
[REDACTED]

PROCEDURAL BACKGROUND

On [REDACTED] 2016, the Department of Social Services (the "Department") sent [REDACTED] (the "Appellant") a Notice of Action ("NOA") placing her medical assistance under the Medicaid/Husky C program into a spenddown status, effective [REDACTED] 2016.

On [REDACTED] 2016, the Appellant requested an administrative hearing to contest the Department's decision to place her medical assistance under the Medicaid program into a spenddown status.

On [REDACTED] 2016, the Office of Legal Counsel, Regulations, and Administrative Hearings ("OLCRAH") issued a Notice scheduling the Appellant's administrative hearing for [REDACTED] 2016 @ 9:00 AM.

On [REDACTED] 2016, in accordance with sections 17b-60, 17b-61, and 4-176e to 4-184, inclusive, of the Connecticut General Statutes, OLCRAH held an administrative hearing to address the Department's decision to place the Appellant's medical assistance under the Medicaid program into a spend-down status. A separate hearing decision will be issued to address the Appellant's monthly amount of benefits under the Supplemental Nutrition Assistance Program ("SNAP") as determined by the Department.

The following individuals were present at the hearing:

[REDACTED] Appellant
Albert J. Grande, Representative for the Department
Hernold C. Linton, Hearing Officer

The hearing record was closed on [REDACTED] 2016.

STATEMENT OF THE ISSUE

The issue to be decided is whether the Department correctly determined the Appellant's spend-down amount for the period of [REDACTED] 2016 through [REDACTED] 2016.

FINDINGS OF FACT

1. The Department conducted a review of the Appellant's eligibility for medical assistance under the Medicaid/Husky C program. (Appellant's testimony; Hearing Summary)
2. On [REDACTED] 2016, the Department determined that the Appellant must meet a medical spenddown amount of \$3,202.12 for the period of [REDACTED] 2016 through [REDACTED] 2016 before her assistance unit would be eligible for medical assistance under the Medicaid program. (Appellant's testimony; Hearing Summary; Dept.'s Exhibit #1: [REDACTED]/16 Notice of Action)
3. The Appellant has an assistance unit consisting of one (1) member. (Appellant's testimony; Hearing Summary)
4. The Appellant's assistance unit has a needs group consisting of one (1) eligible member. (Hearing Summary)
5. The Appellant receives \$999.00 per month in gross Social Security ("SSA") benefits as a disabled individual. (Appellant's testimony; Hearing Summary; Dept.'s Exhibit #5: SVES Title II Information)
6. The Appellant receives an additional \$463.00 per month in gross Social Security benefits for her child directly deposited into her savings account in lieu of alimony from her ex-husband. (Appellant's testimony; Hearing Summary)
7. The Appellant's assistance unit has monthly total unearned income of \$1,462.00. (Hearing Summary)
8. The Department determined that the Appellant shares non-rated housing with at least one person who is not related to her as a parent, spouse, or child, and reflected the shared living disregard in its calculation of the Appellant's applied income. (Hearing Summary; Dept.'s Exhibit #3: MAFI Screen)
9. The Appellant's assistance unit has total monthly applied income of \$1,057.10 (\$1,462.00, unearned income; minus \$404.90, shared living disregard). (Hearing Summary; Dept.'s Exhibit #3)
10. The Medicaid Medically Needy Income Limit (MNIL) for a needs group consisting of one [1] member residing in Region C is \$523.38 per month. (Hearing Summary; Dept.'s Exhibit #3)

11. After subtracting the amount of \$523.38, which is the Medicaid Income Limit for one (1), the Appellant's assistance unit has monthly excess income of \$533.72. (Dept.'s Exhibit #3)
12. The Appellant's assistance unit has a spenddown period that runs from [REDACTED] 2016 through [REDACTED] 2016. (Hearing Summary; Dept.'s Exhibit #3)
13. The Appellant's excess income is multiplied by six months to arrive at her spenddown amount of \$3,202.12. (Hearing Summary; Dept.'s Exhibit #3)
14. The Appellant's has to provide the Department with \$3,202.32 in paid or unpaid medical expenses for the period of [REDACTED] 2016 through [REDACTED] 2016 to offset the six-month spenddown amount, before her assistance unit would be eligible for medical assistance under the Medicaid program. (Hearing Summary; Dept.'s Exhibit #3)
15. The Appellant submitted \$369.09 in medical expenses for consideration with regards to her current spenddown period. (Hearing Summary; Dept.'s Exhibit #3)
16. The Department determined that the Appellant has a remaining spenddown amount for the period of [REDACTED] 2016 through [REDACTED] 2016 of \$2,833.23. (Hearing Summary; Dept.'s Exhibit #3)
17. The Department used the Appellant's medical bill incurred on [REDACTED] 2016 with [REDACTED] for \$907.00 to offset her spenddown amount for the retro month of [REDACTED] 2016 of \$533.52. (Dept.'s Exhibit 7: Case Narrative; Dept.'s Exhibit #10:Spenddown Screen)
18. Pursuant to this hearing, the Appellant provided verification that she paid a total of \$697.59 to [REDACTED] during the period of [REDACTED] 2016 through [REDACTED] 2016, to fill her prescriptions. (Appellant's Exhibit A: Medical Expenses)
19. Pursuant to this hearing, the Appellant provided verification that during the period of [REDACTED] 2016 through [REDACTED] 2016 she incurred a total \$7,021.35 in unpaid medical expenses not payable through third party coverage and with current liability, to be used to offset her spendddown amount. (Appellant's Exhibit A: Medical Expenses)

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") § 4530.15(A) pertains to the medical assistance standards. It 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.

3. 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.
4. The Department correctly determined that the Appellant's assistance unit consists of one (1) person.
5. The Department correctly determined that the MNIL for the Appellant's assistance unit of one (1) person is \$523.38.
6. UPM § 5050.13(A) (1) provides that income from Social Security is treated as unearned income for all programs.
7. The Department correctly determined that the Appellant's total household monthly-unearned income as \$1,462.00 (\$999.00, SSA for self; plus \$463.00, SSA for child/alimony).
8. UPM § 4520.15(A) provides that individuals living in the following types of housing are classified as residing in non-rated housing: (a) home owned property; (b) rented living arrangements; (c) room, including a hotel or motel room; (d) room and board in a housing unit that is not a licensed boarding facility; (e) all other housing that is not classified as a rated housing facility.
9. 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", aka Husky C) programs.
10. UPM § 5030.15(A) provides that unearned income disregards are subtracted from the unit member's total gross monthly unearned income.
11. UPM § 5030.15(B)(1)(a) provides that the disregard is \$337.00, per person (effective January 1, 2016) 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 1st thereafter, this disregard shall be increased to reflect the annual cost of living adjustment used by the Social Security Administration.
12. UPM § 5030.15(B)(1)(c) provides that the special disregard is \$404.90 (effective January 1, 2016) for those individuals who share non-rated housing with at least one person who is not related to them as parent, spouse or child. This does not apply to individuals who reside in shelters for battered women or shelters for the homeless. Effective January 1, 2008, and each January 1st thereafter, this disregard shall be increased to reflect the annual cost of living adjustment used by the Social Security Administration.
13. The Department correctly applied the special shared living disregard of \$404.90 per month to the Appellant's unearned income.

14. The Department correctly calculated the Appellant's monthly applied income as \$1,057.10 (\$1,462.00, SSA income; minus \$404.90, special disregard).
15. 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.
16. The Department correctly established the Appellant's current spend-down period as [REDACTED] 2016 through [REDACTED] 2016.
17. 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.
18. 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.
19. The Appellant's six-month spend-down amount is \$3,202.32, (\$533.72, monthly excess income; multiplied by 6 months) for the period of [REDACTED] 2016 through [REDACTED] 2016.
20. The Department correctly established a spend-down amount of \$3,202.32 for the Appellant's assistance unit for the period of [REDACTED] 2016 through [REDACTED] 2016.
21. UPM § 5520.25(B) provides for the "Use of Medical Expenses for Spend-down Process" and 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.
 1. Medical expenses are used for a spend-down if they meet the following conditions: a. the expenses must be incurred by 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.
22. UPM § 5520.25(B)(6) provides that expenses used to determine eligibility in the prospective period are used in the categorical and chronological order described previously.
23. The Appellant's assistance unit has to provide the Department with \$3,202.32 in paid or unpaid medical expenses for the period of [REDACTED] 2016 through [REDACTED] 2016 to

offset the six-month spenddown amount, before her assistance unit would be eligible for medical assistance under the Medicaid program.

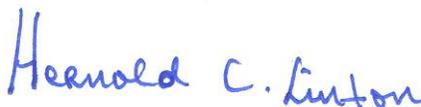
24. After subtracting \$369.09 in the medical expenses submitted, the Appellant has a remaining spenddown amount of \$2,833.23 for the period of [REDACTED] 2016 through [REDACTED] 2016 to be further offset before her assistance unit would be eligible for medical assistance under the Medicaid/Husky C program.
25. The Department correctly determined that the Appellant has a remaining spenddown amount of \$2,833.23 for the period of [REDACTED] 2016 through [REDACTED] 2016.
26. Because the Appellant paid \$697.59 in the prospective period in medical expenses and incurred an additional \$7,021.05 in unpaid expenses, the Appellant's appeal is remanded to the Department for further consideration.

DECISION

The Appellant's appeal is **REMANDED** to the Department for further proceedings as set forth below.

ORDER

1. The Department shall credit the Appellant with the \$697.59 in medical expenses that she paid during the prospective period.
2. The Department shall use the additional \$7,021.35 in unpaid medical expenses incurred by the Appellant during the prospective period to further offset her spenddown amount.
3. No later than thirty (30) days from the date of this hearing decision, the Department will submit to the undersigned a copy of the EMS-MAFI screen as verification of the Department's compliance with this order.



Hernold C. Linton
Hearing Officer

Pc: **Peter Bucknall**, Social Service Operations Manager,
DSS, R.O. # 60, Waterbury

Karen Main, Social Service Operations Manager,
DSS, R.O. # 60, Waterbury

Fair Hearing Liaisons, DSS, R.O. # 60, Waterbury

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. 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.