

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

██████████, 2019
Signature Confirmation

Application ID # ██████████
Hearing Request # ██████████
Client ID# ██████████ 7

NOTICE OF DECISION

PARTY

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██████████
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PROCEDURAL BACKGROUND

On ██████████, the Health Insurance Exchange Access Health CT (“AHCT”) issued a Notice of Action (“NOA”) to ██████████, (the “Appellant”) discontinuing her Medicaid Husky A and continuing the Husky A coverage for her minor child.

On ██████████ 2019, the Appellant requested a hearing to contest the discontinuance of her Medicaid HUSKY A.

On ██████████ 2019, the Office of Legal Counsel, Regulations, and Administrative hearings (“OLCRAH”) issued a notice scheduling an administrative hearing for ██████████ 2019.

On ██████████ 2019, in accordance with sections 17b-60, 17b-264 and 4-176e to -189, inclusive, of the Connecticut General Statutes, Title 45 Code of Federal Regulations (“CFR”) § 155.505(b) and 155.510 and/or 42 CFR § 457.113, OLCRAH held an administrative hearing by telephone.

The following individuals participated in the hearing by telephone:

██████████, Appellant
Cathy Davis, Access Health CT Representative
Shelley Starr, Hearing Officer

STATEMENT OF THE ISSUE

The issue to be decided is whether AHCT correctly discontinued Medicaid HUSKY A coverage for the Appellant.

FINDINGS OF FACT

1. On [REDACTED], 2019, the Appellant submitted a change reporting application ([REDACTED]) to Access Health; Health Insurance Exchange. (Exhibit 4: Application [REDACTED] received [REDACTED], 2019)
2. On the [REDACTED] 2019, change application, the Appellant reported total monthly household income of \$2,528.40. (Exhibit 4: Application [REDACTED] received [REDACTED], 2019)
3. The Appellant reported an allowable deduction of student loan interest of \$135.00 monthly. (Exhibit 4: Application# [REDACTED]; Department's Testimony)
4. The Appellant's household consists of two members; herself and minor child. She files taxes as single, never married, and claims her child as a tax Dependent. (Exhibit 4: Application [REDACTED]; Hearing Record)
5. On [REDACTED], 2019, AHCT updated the Appellant's gross monthly earnings to \$2,528.40. The Appellant reported a deduction in the amount of \$135.00 per month for student loan interest. The Appellant's net income was adjusted to \$2,393.40. ($\$2,528.40 - \$135.00 = \$2,393.40$).
6. AHCT determined based on the reported income that the Appellant did not qualify for Medicaid HUSKY A as a household of two because she did not meet the Medicaid Husky A financial criteria. The Appellant's minor child qualified for Medicaid Husky A for children. (Hearing Summary; Exhibit 2: Eligibility Determination Results dated [REDACTED] 2019; Exhibit 3: Eligibility Results screenshot)
7. On [REDACTED] 2019, AHCT sent the Appellant a Notice of Action granting Husky A for the minor child, effective [REDACTED] 2019, ongoing, and discontinuing the Appellant's Husky A effective [REDACTED] 2019, because she is in a household of two, with a household income of \$2,393.00. The income limit for a household size of two is \$2,184.00. (Hearing Summary; Exhibit 2: Notice of Action dated [REDACTED] 2019)
8. The Federal Poverty Limit ("FPL") for a household of two at the time of enrollment is \$1,372.00. (Federal Register)
9. The issuance of this decision is timely under Connecticut General Statutes 17b-61(a), which requires that a decision be issued within 90 days of the request for an administrative hearing. The Appellant requested an administrative hearing on [REDACTED], 2019. Therefore, this decision is due not later than [REDACTED] 2019.

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 C.F.R 435.603(f)(1)(2)(iii)(3)(iii) provides for the construction of the modified adjusted gross income (“MAGI”) household.
7. 42 C.F.R § 435.603(e) provides in part 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.
8. Title 26 of the United States Code (“U.S.C”) provides for Internal Revenue Code (“IRC”), section 36B(d)(2)(B) 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.

9. 26 U.S.C § 262(a) provides that except as otherwise expressly provided in this chapter, no deduction shall be allowed for personal, living or family expenses.
10. 26 U.S.C § 1.221 -1 provides for the deduction for interest paid on qualified education loans after December 31, 2001 and provides in part that an individual taxpayer may deduct from gross paid by the taxpayer during the taxable year on a qualified education loan.

AHCT correctly deducted the Appellant's reported \$135.00 monthly student loan interest from her reported gross income.

11. 42 C.F.R § 435.603(d) provides for the application of the household's modified adjusted gross ("MAGI"). The household's income is the sum of the MAGI-based income, as defined in paragraph (e) of this section, of every individual included in the individual's household. Effective January 1, 2014, in determining the eligibility of an individual using MAGI-based income, a state must subtract an amount equivalent to 5 percentage points of the Federal Poverty Level for the applicable family size only to determine the eligibility of an individual for medical assistance under the eligibility group with the highest income standard using MAGI-based methodologies in the applicable Title of the Act, but not to determine eligibility for a particular eligibility group

AHCT correctly determined that the Appellant and her child have a MAGI household of two (2) people.

Five percent of the FPL for a family of (2) is \$68.60 (\$1,372.00 * .05) per month.

AHCT correctly determined that the Appellant's household reported income at the time of application was \$ \$2,393.00.

AHCT correctly determined that the Appellant's household's countable MAGI for a household of two based on the reported income at the time of application was \$2,324.40 (\$2,393.00 - \$68.60) per month

12. Title 42 C.F.R § 435.110(b)(c)(2)(i) provides that the agency must provide Medicaid to parents and caretaker relatives whose income is at or below the income standard established by the agency in the State Plan.
13. Title 42 C.F.R § 435.118(b)(2)(ii) provides that the agency must provide Medicaid to children under age 19 whose income is at or below the income standard established by the agency in its State Plan.

14. Section 17b-261(a) of the CGS provides in part that except as provided in section 17b-277 and section 17b-292, the medical assistance program shall provide coverage to persons under the age of nineteen with household income up to one hundred ninety-six percent of the federal poverty level without an asset limit and to persons under the age of nineteen, who qualify for coverage under Section 1931 of the Social Security Act, with household income not exceeding one hundred ninety-six percent of the federal poverty level without an asset limit, and their parents and needy caretaker relatives, who qualify for coverage under Section 1931 of the Social Security Act, with household income not exceeding one hundred fifty percent of the federal poverty level without an asset limit.

One hundred fifty-five percent of the FPL for a household of two (2) is \$2,126.60 ($\$1,372.00 \times 1.55$) per month.

Two Hundred-one percent of the FPL for a household of two (2) is \$2,757.72 ($\$1,372.00 \times 2.01$) per month.

The Appellant's countable MAGI household income of \$2,324.00 per month exceeds the income threshold for Medicaid/Husky A for Parents and Caretakers for a household of two, \$2,126.60.

The Appellant's countable MAGI household income of \$2,324.00 per month is under the income threshold for Medicaid/Husky A for Children for a household of two, \$2,757.72.

AHCT correctly determined that the Appellant is over income for Medicaid/HUSKY A for Parents and Caretakers medical insurance.

AHCT correctly determined that the Appellant's child is income eligible for Medicaid/HUSKY A for Children medical insurance.

15. Section 17b-261 (f) of the CGS provides to the extent permitted by federal law, Medicaid eligibility shall be extended for one year to a family that becomes ineligible for medical assistance under Section 1931 of the Social Security Act due to income from employment by one of its members who is a caretaker relative or due to receipt of child support income. A family receiving extended benefits on July 1, 2005, shall receive the balance of such extended benefits, provided no such family shall receive more than twelve additional months of such benefits.
16. Uniform Policy Manual ("UPM") § 2540.09 (A) (1) provides that the group of people who qualify for Extended Medical Assistance includes members of assistance units who lose eligibility for HUSKY A for Families ("F07") (cross reference: 2540.24) under the following circumstances: the assistance unit becomes ineligible because of hours of, or income from, employment; or the assistance unit was discontinued, wholly or partly, due to new or increased child support income.

17. UPM § 2540.09 (B) provides for the duration of eligibility.

- (1) Individuals qualify for HUSKY A under this coverage group for the twelve month period beginning with the first month of ineligibility for HUSKY A (F07).
- (2) If ineligibility for HUSKY A for Families (F07) occurs prior to the termination of assistance, the Extended Medical Assistance period begins with the first month that the family was not eligible for HUSKY A for Families (F07).

The Appellant lost her Husky A eligibility due to income from employment.

The Appellant had previously been eligible and receiving Husky A.

AHCT did not make a determination of eligibility for the Appellant regarding Transitional Medical Assistance (“TMA”).

DISCUSSION

Medicaid Husky A eligibility is based on Modified Adjusted Gross Income. Based on the income and deductions reported by the Appellant at time of the change reporting application, the Department correctly determined that she is over income and therefore not eligible for the Medicaid Husky A Program.

Based on the Appellant’s income from employment being the basis of the discontinuance of eligibility for Husky A, AHCT needs to determine eligibility for the TMA program. There is no indication that AHCT made such determination. In addition, the Appellant testified that she has since submitted her wage stubs for a recalculation of her income and has 401K contributions on her wage stubs that may warrant an additional allowable deduction.

DECISION

The Appellant’s appeal is **REMANDED to AHCT for further action.**

ORDER

1. AHCT shall make a determination of eligibility for the TMA program for the Appellant and explore her 401K contributions that may warrant an additional allowable deduction.
2. Proof of compliance with this order shall be sent to the undersigned no later than [REDACTED], 2019.


Shelley Starr
Fair Hearings Officer

Pc: Cathy Davis, Health Insurance Exchange Access Health CT
Becky Brown, Health Insurance Exchange, Access Health CT
Mike Towers, 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 Primary 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, law, and 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, 25 Sigourney Street, Hartford, CT 06106.

There is no right to request reconsideration for denials or reductions of Advanced Primary 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, if 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, 25 Sigourney Street, Hartford, CT 06106. 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.

