

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

██████████ 2019
Signature confirmation

Case: ██████████
Client: ██████████
Request: 145100

NOTICE OF DECISION

PARTY

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

PROCEDURAL BACKGROUND

On ██████████, 2019, Access Health CT (“AHCT”), Connecticut’s Health Insurance Exchange, issued ██████████ (the “Appellant”) a notice discontinuing his HUSKY-D/Medicaid coverage effective ██████████ 2019, for the reason that his household income exceeded the program’s limits.

On ██████████, 2019, the Appellant telephoned a request for a hearing with the Office of Legal Counsel, Regulations and Administrative Hearings (“OLCRAH”) to dispute the discontinuance.

On ██████████, 2019, the OLCRAH issued a notice to the Appellant, scheduling the administrative hearing for ██████████, 2019.

On ██████████ 2019, in accordance with sections 17b-60, 17b-264 and 4-176e to 4-189, inclusive, of the Connecticut General Statutes, Title 45, Code of Federal Regulations (“C.F.R.”) §§ 155.505 (b) and 155.510 and/or 42 C.F.R. § 457.1130, the OLCRAH held an administrative hearing by conference call. The following individuals participated in the administrative hearing:

██████████, Appellant
Sabrina Solis, AHCT’s representative
Eva Tar, Hearing Officer

The hearing record closed ██████████ 2019.

STATEMENT OF ISSUE

The issue is whether AHCT correctly discontinued the Appellant's HUSKY-D/Medicaid coverage.

FINDINGS OF FACT

1. The Appellant's date of birth is [REDACTED] (Appellant's testimony)
2. The Appellant's adult son lives with the Appellant. (Appellant's testimony)
3. From [REDACTED] 2019 through [REDACTED] 2019, the Appellant received HUSKY-D/Medicaid coverage. (Appellant's testimony)(AHCT's representative's testimony)
4. The Appellant receives \$640.00 per week in unemployment compensation, before taxes. (Appellant's testimony)
5. The Appellant's adult son started full-time employment in [REDACTED] 2019. (Appellant's testimony)
6. The Appellant's adult son earns approximately \$60,000.00 per year in wages. (Appellant's testimony)
7. The Appellant's adult son has medical insurance through the son's employer. (Appellant's testimony)
8. AHCT considers the Appellant and his adult son to be a household of two with respect to participation in the HUSKY-D/Medicaid program, as the Appellant had previously declared his adult son as a tax dependent on his income tax returns. (AHCT's representative's testimony)
9. On [REDACTED] 2019, the Appellant contacted AHCT. (AHCT's Exhibit 1)
10. As of [REDACTED] 2019, AHCT's records identify the adult son as unemployed. (AHCT's Exhibit 1)
11. On [REDACTED] 2019, AHCT notified the Appellant that his HUSKY-D/Medicaid coverage would end effective [REDACTED], 2019, as his unemployment compensation of \$2,713.00 per month exceeded the program's monthly limit of \$1,945.00 for a household of two. (AHCT's Exhibit 2)
12. AHCT arrived at its [REDACTED] 2019 calculation of \$2,713.00 per month in income by using the Appellant's previously reported unemployment compensation of \$631.00 per week, multiplied by 4.3 weeks per month; AHCT did not incorporate the Appellant's adult son's wages in this calculation. (AHCT's Exhibit 1)(AHCT's representative's testimony)

CONCLUSIONS OF LAW

1. The Department of Social Services is designated as the state agency for the administration of the Medicaid program pursuant to Title XIX of the Social Security Act. Conn. Gen. Stat. § 17b-2.
2. “For coverage dates on or after January 1, 2014, the department shall use the modified adjusted gross income financial eligibility rules set forth in Section 1902(e)(14) of the Social Security Act and the implementing regulations to determine eligibility for HUSKY A, HUSKY B and HUSKY D applicants, as defined in section 17b-290....” Conn. Gen. Stat. §17b-261 (a).

Section 17b-8a of the Connecticut General Statutes addresses the Medicaid Coverage for the Lowest Income Populations program.

Section 17b-290 of the Connecticut General Statutes in part provides the following definitions: ““Household” has the same meaning as provided in 42 C.F.R. § 435.603; “Household income” has the same meaning as provided in 42 C.F.R. § 435.603; ... [and] “HUSKY D” or “Medicaid Coverage for the Lowest Income Populations program” means Medicaid provided to nonpregnant [sic] low-income adults who are age eighteen to sixty-four, as authorized pursuant to section 17b-8a....”

The Department of Social Services has the authority to administer the HUSKY-D/Medicaid program.

3. Title 45, Section 155.110 (a) of the Code of Federal Regulations provides:
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:
 - (1) An entity:
 - (i) Incorporated under, and subject to the laws of, one or more States;
 - (ii) That has demonstrated experience on a State or regional basis in the individual and small group health insurance markets and in benefits coverage; and
 - (iii) Is not a health insurance issuer or treated as a health insurance issuer under subsection (a) or (b) of section 52 of the Code of 1986 as a member of the same controlled group of corporations (or under common control with) as a health insurance issuer; or
 - (2) The State Medicaid agency, or any other State agency that meets the qualifications of paragraph (a)(1) of this section.
 45 C.F.R. § 155.110 (a).

The Department of Social Services has the authority to implement a Health Insurance Exchange.

4. “Effective January 1, 2014, the agency must provide Medicaid to individuals who: (1) Are age 19 or older and under age 65; (2) Are not pregnant; (3) Are not entitled to or enrolled for Medicare benefits under part A or B of title XVIII of the Act; (4) Are not otherwise eligible for and enrolled for mandatory coverage under a State's Medicaid

State plan in accordance with subpart B of this part; and (5) Have household income that is at or below 133 percent FPL for the applicable family size.” 42 C.F.R. § 435.119 (b).

Section 435.603 (a) of Title 42, Code of Federal Regulations addresses the application of modified adjusted gross income (MAGI) with respect to determining the financial eligibility of certain individuals to participate in the Medicaid program.

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 certain identified exceptions. 42 C.F.R. § 435.603 (e).

Title 26, United States Code § 36B (d)(2)(B) provides that the term “modified adjusted gross income” (“MAGI”) 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.”

With respect to the HUSKY D/Medicaid program, AHCT correctly determined that the Appellant’s eligibility to participate in that program is dependent on the MAGI calculation.

5. *“Household—(1) Basic rule for taxpayers not claimed as a tax dependent.* In the case of an individual who expects to file a tax return for the taxable year in which an initial determination or renewal of eligibility is being made, and who does not expect to be claimed as a tax dependent by another taxpayer, the household consists of the taxpayer and, subject to paragraph (f)(5) of this section, all persons whom such individual expects to claim as a tax dependent.” 42 C.F.R. § 435.603 (f)(1).

It is reasonable to conclude that the Appellant cannot expect to continue to claim his adult son as a tax dependent, as the Appellant’s income from unemployment compensation is significantly less than his adult son’s income from wages.

The Appellant’s adult son is not a member of the Appellant’s HUSKY-D/Medicaid household.

The Appellant is a HUSKY-D/Medicaid household of one.

6. *“Household income—(1) General rule.* Except as provided in paragraphs (d)(2) through (d)(4) of this section, household 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.” 42 C.F.R. § 435.603 (d)(1).

“Current beneficiaries. For individuals who have been determined financially-eligible for Medicaid using the MAGI-based methods set forth in this section, a State may elect in its State plan to base financial eligibility either on current monthly household income and

family size or income based on projected annual household income and family size for the remainder of the current calendar year.” 42 C.F.R. § 435.603 (h)(2).

A month averages at 4.3 weeks. [52 weeks in a year divided by 12 months]

The Appellant’s projected monthly income equaled \$2,752.00 per month. [\$640.00 per week multiplied by 4.3 weeks per month]

7. “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.” 42 C.F.R. § 435.603 (d)(4).

In 2019, the Federal Poverty Level for the 48 contiguous states and the District of Columbia was \$12,490.00 per year for an individual and \$16,910.00 per year for a household of two.

Allowing for a five-percentage-point disregard of the Federal Poverty Level for MAGI-based income, the HUSKY D/Medicaid income limit for a single-person household living in Connecticut equals \$1,436.34 per month, or 138 percent of the Federal Poverty Level, in 2019.

The Appellant’s projected monthly income of \$2,752.00 exceeded \$1,436.34, the HUSKY-D/Medicaid program limit for a single-person household.

AHCT correctly discontinued the Appellant’s HUSKY-D/Medicaid coverage, as his household income exceeded the program’s limits for an individual.

DECISION

The Appellant’s appeal is DENIED. The Appellant is financially ineligible to participate in the HUSKY-D/Medicaid program.

Eva Tar - electronic signature
Eva Tar
Hearing Officer

cc: Sabrina Solis, AHCT
Becky Brown, AHCT
Mike Towers, AHCT

**Modified Adjusted Gross Income (MAGI) Medicaid and
Children's Health Insurance Program (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.

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 extensions 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.