

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

CLIENT No # ██████████  
Request # 147514

**NOTICE OF DECISION**

**PARTY**

██████████  
██████████  
██████████

**PROCEDURAL BACKGROUND**

On ██████████ 2019, the Health Insurance Exchange Access Health CT- (“AHCT”) sent ██████████ (the “Appellant”) a Notice of Action (“NOA”) discontinuing the Appellant’s Medicaid Husky D healthcare coverage.

On ██████████ 2019, the Appellant requested an administrative hearing to contest the decision to discontinue Medicaid Husky D benefits.

On ██████████ ██████████ 2019, the Office of Legal Counsel, Regulations, and Administrative Hearings (“OLCRAH”) issued a notice 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 (“CFR”) §§ 155.505(b) and 155.510 and/or 42 CFR § 457.113, OLCRAH held an administrative hearing by telephone.

The following individuals were present at the hearing:

██████████, Appellant  
Cathy Davis, AHCT Representative  
Almelinda McLeod, Hearing Officer

### **STATEMENT OF THE ISSUE**

The issue to be decided is whether the Department's action to discontinue the Medicaid Husky D program was correct in accordance with the regulations.

### **FINDINGS OF FACT**

1. On [REDACTED] 2019, the Appellant submitted a change reporting application requesting Husky D/ Adult medical coverage. (Exhibit #1- Access Health application # [REDACTED])
2. The Appellant is a disabled single adult [REDACTED], [REDACTED] years old with his tax filing status as single filing taxes. (Exhibit 1 and Appellant testimony)
3. The Appellant reported a yearly modified adjusted gross income ("MAGI") totaled \$14,000.00 and reported a monthly Social Security Benefit of \$1850.00. (Exhibit #1)
4. The Appellant has two children who do not reside with him. He is responsible to pay \$535.00 child support from his Social Security benefit. (Appellant testimony)
5. The child support was not reported in the Husky D application. (Hearing record)
6. The Social Security income verification document submitted to AHCT only verified a monthly income of \$1850.00 with no deductions.
7. AHCT did not find verification that \$535.00 was reported to AHCT as child support during the eligibility process on their computer system. (AHCT testimony)
8. The Federal Poverty Limit ("FPL") for a household of one at the time of enrollment is \$12,490.00 per year which converted equals \$1040.83 ( $\$12,490 / 12 = 1041.00$ ) rounded up per month. (Federal Register).
9. AHCT added five percent (5%) to the FPL income standard when determining the Appellant's eligibility for Husky D/ Adult Medicaid coverage.
10. The FPL for Husky D for 19 years old to age 65 in a household of 1 is \$1436.00 at 138% of the FPL. (Hearing Summary and Exhibit 3, Application results letter)

11. On [REDACTED] 2019, AHCT denied the Appellant's Husky D, Adult Medicaid coverage because the household's income exceeded the income limit and issued a Notice of Action ("NOA"). Due to the Appellant's disability, a Husky C application form was sent to the Appellant. (Hearing record & Exhibit 3, NOA)
12. The issuance of this decision is timely under Connecticut General Statute 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, with the decision due by [REDACTED] 2020, therefore timely. (Hearing record)

### **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 Code of Federal Regulations ("CFR") 155.110 (A) (2) 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 or more responsibilities of the Exchange. An eligible entity is: the State Medicaid agency, or any other State agency that meets the qualifications of paragraph (a) (1) of this section.
4. 45 CFR 155.505 (c) (1) provides Options for Exchange appeals. 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;  
or

5. 45 CFR 155.505 (d) Eligible entities. An appeals process established under this subpart must comply with § 155.110 (a).
6. 42 CFR § 435.603 (d) (1) provides for the construction of the modified adjusted gross income (“MAGI”) household. 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 in the individual’s household.
7. 42 CFR 435.603 (f) *Household*— (1) *Basic rules 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.
  - (i) Individuals other than a spouse or a biological, adopted, or stepchild who expect to be claimed as a tax dependent by another taxpayer;
  - (ii) Individuals under the age specified by the State under paragraph (f) (3) (iv) of this section who expect to be claimed by one parent as a tax dependent and are living with both parents but whose parents do not expect to file a joint tax return; and
  - (iii) Individuals under the age specified by the State under paragraph (f) (3) (iv) of this section who expect to be claimed as a tax dependent by a non-custodial parent. For purposes of this section—
8. 42 CFR § 435.603 (f) (2) provides in part the Basic rule for individuals claimed as a tax dependent. In the case of an individual who expects to be claimed as a tax dependent by another taxpayer for the taxable year in which an initial determination or renewal of eligibility is being made, the household is the household of the taxpayer claiming such individual as a tax dependent.
9. **The Appellant files as Single filing taxes. The Appellant has two children who do not live with him. He did not claim his two children as his tax dependents in 2019; thus his MAGI household consists of himself. He is a household of one.**

10. Title 26 United States Code, (“U.S.C.”) Subtitle A, Chapter 1, Subchapter B, Part 1, Section 62 (a) provides that as a general rule, for purposes of this subtitle, the term “adjusted Gross income” means in the case of an individual, gross income minus the following deductions:

- Trade and business deductions,
- Certain trade and business deductions of employees,
- Losses from sale or exchange of property,
- Deductions attributable to rents and royalties,
- Certain deductions of life tenants and income beneficiaries of property,
- Pension, profit sharing and annuity plans of self-employed individuals,
- Retirements savings,
- Penalties forfeited because of premature withdrawal of funds from time savings accounts or deposits,
- Reforestation expenses,
- Certain required repayments of supplemental unemployment compensation benefits,
- Jury duty remitted to employer,
- Moving expenses,
- Archer MSAs,
- Interest on education loans,
- Higher education expenses,
- Health savings accounts,
- Costs involving discriminations suits, etc. and
- Attorney’s fees relating to awards to whistleblowers

**The Appellant’s payment of child support is not considered a deduction in the eligibility process to determine Husky D eligibility.**

11. 42 CFR §435.603 (d) (4) provides for the application of the household’s modified adjusted gross income (“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.

12. Five percent of the FPL for a family of one is \$624.50 ( $\$12,490 \times .05$ ) per year which was converted to \$ 52.04. ( $\$624.50/12$  months) per month.
13. The Appellant's household countable MAGI for a household of one based on the reported income at time of application was \$1797.96. ( $\$1850.00 - \$52.04$ ) per month.
14. 42 CFR § 435.119 (b) provides that Medicaid health coverage is available for the individuals age 19 or older and under age 65 at or below 133 percent of the Federal Poverty Limit ("FPL"). Eligibility. 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 the 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.
- 15. Although the Appellant is disabled, it is unclear by the hearing record whether the Appellant is eligible for benefits under Medicare Part A or Part B.**
- 16. One hundred thirty three percent of the FPL for a household of one is \$1384.53 ( $\$1041.00 \times 1.33$ ).**
- 17. The Appellant's household countable MAGI household income of \$1850.00 per month exceeds the income threshold for one, \$1384.53 at 133% of the FPL.**
- 18. The Department / AHCT correctly determined the Appellant is over income for the Medicaid Husky D insurance.**
- 19. The Department / AHCT was correct to deny the Appellant's application for Medicaid Husky D as a household of one.**

## **DISCUSSION**

The Appellant testified that he has a child support obligation of \$535.00 that is being garnished from his Social Security income per month, which was not considered in the determination of the Husky D/ Adult Medicaid coverage. The hearing record did not show child support payments reported on the Appellant's application and AHCT was unable to find any child support information payment on their computer system.


Child support obligation is not considered income that is excluded from the Appellant's income per the United States Code. AHCT determined his eligibility based on the information provided at time of application and correctly counted the Appellants full reported Social Security monthly income of \$1850.00.

For purposes of this hearing and under the policies and regulations of the Affordable Care Act, AHCT correctly determined the Appellant was not eligible for Husky D because the household income exceeds the 133% FPL for a household of one.

It should be noted for the record that the Appellant is disabled but it is uncertain at his time, if the Appellant qualified for Medicare Part A or Part B through the Social Security Administration due to his disability. AHCT has encouraged the Appellant to follow through and apply for the Husky C Medicaid through the Department of Social Services.

## **DECISION**

The Appellant's appeal is DENIED.

  
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Almelinda McLeod  
Hearing Officer

CC: [Becky.Brown@conduent.com](mailto:Becky.Brown@conduent.com)  
[Mike.Towers@conduent.com](mailto:Mike.Towers@conduent.com)  
[Cathy.Davis@conduent.com](mailto:Cathy.Davis@conduent.com)

**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.