

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

■■■■ 2023
Signature Confirmation

Client ID ■■■■
Case ID ■■■■
Request # 217833

NOTICE OF DECISION

PARTY

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PROCEDURAL BACKGROUND

On ■■■■ 2023, the Department of Social Services (the "Department") sent ■■■■ (the "Appellant") a Notice of Action ("NOA") transferring her medical benefits under the Husky C - Aged, Blind, Disabled Program ("MAABD") to the Husky C - Medically Needy for Aged, Blind, Disabled Spenddown Program ("MAABD spenddown") effective ■■■■ 2023.

On ■■■■ 2023, the Appellant requested an administrative hearing to contest the Department's action.

On ■■■■ 2023, the Office of Legal Counsel, Regulations, and Administrative Hearings ("OLCRAH") issued a notice scheduling the administrative hearing for ■■■■ 2023.

On ■■■■ 2023, in accordance with sections 17b-60, 17-61 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
Glenn Guerra, Department's Representative
Lisa Nyren, Hearing Officer

STATEMENT OF THE ISSUE

The issue to be decided is whether the Appellant must meet a spenddown to become eligible for MAABD coverage.

FINDINGS OF FACT

1. The Appellant received Medicaid under the Husky C – Aged, Blind, and Disabled (“MAABD”) program through [REDACTED] [REDACTED] 2023. (Exhibit 1: Notice of Action, and Exhibit 4: MA-Spenddown)
2. The Appellant is age [REDACTED] [REDACTED]. The Appellant is a widow. (Appellant’s Testimony)
3. The Appellant lives in [REDACTED]. (Appellant’s Testimony)
4. Effective [REDACTED] [REDACTED] 2023, the Appellant’s gross Social Security (“SSA”) benefit increased from \$485.00 per month to \$1,504.00 per month. (Stipulated)
5. The Appellant is a recipient of Medicare Part A and Medicare Part B benefits from the Social Security Administration. The Department pays the Medicare monthly premium on behalf of the Appellant under the Medicare Savings Program – Qualified Medicare Beneficiary (“MSP – QMB”). (Appellant’s Testimony)
6. The medically needy income limit (“MNIL”) under the MAABD program is \$700.00. (Exhibit 4: MAABD – Income Test and Department Representative’s Testimony)
7. On [REDACTED] [REDACTED] 2023, the Department transferred the Appellant’s Medicaid coverage under the MAABD program to the MAABD spenddown program effective [REDACTED] [REDACTED] 2023 due to the increase in the Appellant’s SSA income.

The Department determined the Appellant eligible for MAABD under a spenddown totaling \$1,932.00 for the six-month spenddown period [REDACTED] [REDACTED] 2023 through [REDACTED] [REDACTED] 2023 because her monthly net income of \$1,022.00 exceeds the Husky C income limit of \$700.00.

\$1,504.00 gross income - \$482.00 standard deduction = \$1,022.00 net income

\$1,022.00 monthly net income - \$700.00 MNIL = \$322.00 excess monthly income

\$322.00 excess monthly income x 6 months spenddown period =
\$1,932.00 spenddown amount

(Hearing Record)

8. On [REDACTED] [REDACTED] 2023, the Department issued the Appellant a Notice of Action closing her medical coverage under the MAABD program because the monthly net income of your household is more than the limit for this program and granting coverage under the MAABD spenddown program beginning [REDACTED] [REDACTED] 2023. The notice lists the spenddown period as [REDACTED] [REDACTED] 2023 through [REDACTED] [REDACTED] 2023. (Exhibit 1: Notice of Action)
9. On [REDACTED] [REDACTED] 2023, the Department issued a Spenddown Welcome Packet listing the MAABD spenddown as \$1,932.00 and the six-month spenddown period as [REDACTED] [REDACTED] 2023 through [REDACTED] [REDACTED] 2023. (Exhibit 2: Spenddown Welcome Packet)
10. The Appellant has not incurred out of pocket medical expenses but is concerned about future medical costs with the transfer of her medical coverage to the spenddown program since she is on a fixed monthly income. (Appellant's Testimony)
11. 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] [REDACTED] 2023. Therefore, this decision is due not later than [REDACTED] [REDACTED] 2023.

CONCLUSIONS OF LAW

1. Section 17b-2(6) of the Connecticut General Statutes provides as follows:

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.
2. "The department's uniform policy manual is the equivalent of a state regulation and, as such, carries the force of law." *Bucchere v. Rowe*, 43 Conn. Supp. 175, 178 (1994) (citing Conn. Gen. Stat, § 17b-10; *Richard v. Commissioner of Income Maintenance*, 214 Conn. 601, 573 A.2d 712(1990))
3. Section 1555.30(A)(1) of the Uniform Policy Manual ("UPM") provides as follows:

The Department acts promptly to determine the effect on eligibility or benefit level whenever changes become known to the Department.

On [REDACTED] [REDACTED] 2023, the Department correctly acted on the income change information to determine its effect on the Appellant's eligibility under the MAABD program.

4. "To meet the age requirement for State Supplement and related Medicaid based on old age, the individual must be sixty-five (65) years of age or older." UPM § 2525.15(B)

The Department correctly determined the Appellant meets the age criteria under the MAABD program because the Appellant is over the age of [REDACTED]

5. "When the assistance unit's applied income exceeds the CNIL, the assistance unit is ineligible to receive Medicaid as a categorically needy case." UPM § 5520.25(A)

"Those assistance units which are determined ineligible as categorically needy cases have their eligibility determined as medically needy." UPM § 5520.25(A)(2)

6. Department policy provides as follows:

Medically Needy Aged, Blind and Disabled. This group includes individuals who:

1. Meet the MAABD categorical eligibility requirements of age, blindness or disability; and
2. Are not eligible as categorically needy; and
3. Meet the medically needy income and asset criteria.

UPM § 2540.96(A)

7. Department policy provides as follows:

The Department uses the MAABD medically needy income and asset criteria to determine eligibility under this coverage group, including:

1. Medically needy deeming rules;
2. The Medically Needy Income Limit ("MNIL");
3. The income spend-down process;
4. The medically needy asset limits.

UPM § 2540.96(C)

8. "A uniform set of income standards is established for all assistance units who do not qualify as categorically needy." UPM § 4530.15(A)(1)

"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." UPM § 4530.15(B)

The Department correctly determined the MNIL for an assistance unit of one equals \$700.00.

9. "Income from Social Security is treated as unearned income in all programs." UPM § 5050.13(A)(1)

"If income is received on a monthly basis, a representative monthly amount is used as the estimate of income." UPM § 5025.05(B)(1)

The Department correctly determined the Appellant's SSA benefit beginning [REDACTED] 2023 as \$1,504.00 per month.

The Department correctly determined the Appellant's monthly gross unearned income beginning [REDACTED] 2023 as \$1,504.00.

10. "Social Security income is subject to an unearned income disregard in the AABD and MAABD programs." UPM § 5050.13(A)(2)

"Except as provided in section 5030.15(D), unearned income disregards are subtracted from the unit member's total gross monthly unearned income." UPM § 5030.15(A)

"All of the disregards used in the AABD programs are used to determine eligibility for MAABD." UPM § 5030.15(C)(2)(a)

Department policy provides as follows:

The Department uses the following unearned income disregards, as appropriate under the circumstances described: The disregard is [\$482.00 effective 1/1/23] 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.

UPM § 5030.15(B)(1)(a)

The Department correctly determined the standard disregard as \$482.00.

11. "Except for determining AABD eligibility and benefit amounts for individuals residing in long term care facilities, applied unearned income is calculated by reducing the gross unearned income amount by the appropriate disregard based upon living arrangements." UPM § 5045.10(C)(1)

The Department correctly calculated the Appellant's applied unearned income as \$1,022.00 effective [REDACTED] 2023. (\$1,504.00 SSA - \$482.00 standard disregard = \$1,022.00)

12. "The assistance unit's total applied income is the sum of the unit's applied earnings, applied unearned income, and the amount deemed." UPM § 5045.10(E)

The Department correctly calculated the Appellant's total applied income as \$1,022.00 per month. (\$00.00 applied earned income + \$1,022.00 applied unearned income + \$00.00 deemed income = \$1,022.000 total applied income)

13. Department policy provides as follows:

The following method is used to determine the assistance unit's eligibility in the prospective period:

1. 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:
2. The needs group which is expected to exist in each of the six months is established.
3. An MNIL is determined for each of six months is determined on the basis of:
 - a. The anticipated place of residency of the assistance unit in each of the six months; and
 - b. The anticipated composition of the needs group for each of the same six months.
4. The assistance unit's applied income is estimated for each of the six months.
5. 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:
 - a. When the unit's total applied income equals or is less than the total MNIL's the assistance unit is eligible;

- b. When the unit's total applied income, is greater than the total MNIL's the assistance unit is ineligible until the excess income is offset through the spend-down process. (Cross Reference: 5520.25 – 5520.35 – "Spend-down")

UPM § 5520.20(B)

The Department correctly determined the six (6) month period of eligibility under the MAABD spenddown as [REDACTED] 2023 through [REDACTED] 2023.

The Department correctly determined a needs group of one, the Appellant.

For a household of one in the state of [REDACTED] for the spenddown period [REDACTED] 2023 through [REDACTED] 2023, the MNIL equals \$4,200.00. [\$700.00 Monthly MNIL x 6 months = \$4,200.00] Refer to Conclusions of Law ("COL") #8.

The six month applied income for the period [REDACTED] 2023 through [REDACTED] 2023 equals \$6,132.00. [\$1,022.00 applied income x 6 months = \$6,132.00] Refer to COL #11.

The Department correctly calculated the Appellant's spenddown as \$1,932.00. [\$6,132.00 6-month applied income - \$4,200.00 6-month MNIL = \$1,932.00]

14. "When the amount of 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." UPM § 5520.25(B)

The Department correctly determined the Appellant must meet her spenddown of \$1,932.00 in order to become eligible for medical benefits under the MAABD spenddown program.

DECISION

The Appellant's appeal is denied.

Lisa A. Nyren

Lisa A. Nyren
Hearing Officer

CC: Jill Sweeney, SSOM, DSS RO #62
Glenn Guerra, FHL, DSS RO #62

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.

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, 165 Capitol Avenue, 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.