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

, 2024
SIGNATURE CONFIRMATION

CASE #
CLIENT ID #
REQUEST #

NOTICE OF DECISION

PARTY

PROCEDURAL BACKROUND

On 2024, the Health Insurance Exchange, Access Health Connecticut ("AHCT"), sent (the "Appellant") a Health Care Coverage Renewal Decision notice, discontinuing his medical coverage under the Medicaid HUSKY D-Adult plan ("HUSKY D") effective , 2024.

On , 2024, the Appellant submitted a request for an administrative hearing to contest AHCT's decision to discontinue medical coverage under the HUSKY D program.

On , 2024, the Office of Legal Counsel, Regulations, and Administrative Hearings (the "OLCRAH") issued a notice scheduling an administrative hearing to be held on , 2024, via telephone conference.

On , 2024, in response to a hearing reschedule request from the Appellant, the OLCRAH issued a notice scheduling an administrative hearing to be held on , 2024, via telephone.

On [redacted], 2024, in response to a hearing reschedule request by the Appellant, the OLCRAH issued a notice scheduling an administrative hearing to be held on [redacted], 2024, via telephone conference.

On [redacted] 2024, in accordance with sections 17b-60, 17b-264 and 4-176e to 4-189, inclusive of the Connecticut General Statutes, Chapter 45 Code of Federal Regulations ("CFR") §§ 155.505(b) and 155.510 and/or 42 CFR § 457.1130, OLCRAH held an Administrative Hearing with the participation of the following individuals:

[redacted], Appellant
Cathy Davis, Appeals Coordinator, AHCT Representative
Joseph Alexander, Administrative Hearing Officer

At the Appellant's request, the hearing record was left open until [redacted] 2024, to allow for the submission of additional documentation.

STATEMENT OF THE ISSUE

The issue to be decided is whether AHCT correctly discontinued the Appellant's HUSKY D coverage effective [redacted], 2024.

FINDINGS OF FACT

1. The Appellant is [redacted] years old. (Exhibit 2: Eligibility Determination)

2. The Appellant is single and files taxes as single. (Exhibit 1: Renewal Application)

3. On [redacted], 2024, the Appellant submitted a renewal application to AHCT for ongoing HUSKY D coverage. (Exhibit 1: Renewal Application)

4. On [redacted], 2024, AHCT completed a review of the Appellant's renewal application and determined the Appellant was ineligible for HUSKY D coverage because his total monthly income of $2,534.00 (Social Security) exceeded the HUSKY D program income standard (limit) of $1,732.00 (household of one). (Exhibit 1: Renewal Application, Exhibit 2: Eligibility Determination, Exhibit 3: Health Care Coverage Renewal Decision Notice)

5. On [redacted], 2024, AHCT issued a Health Care Coverage Renewal Decision Notice to the Appellant informing him that his HUSKY D medical coverage would be discontinued effective [redacted] 2024, because he did not meet the Medicaid financial criteria. (Exhibit 3: Health Care Coverage Renewal Decision Notice)

6. During the administrative hearing, the Appellant brought forth the following arguments: (1) AHCT uses the word "income" differently than the Internal Revenue Service ("IRS"). (2) The Appellant receives "Social Security Distributions" which the IRS does not consider "income" for tax purposes. (3) The AHCT application has two places where one can input "income" and AHCT does not allow for a negative number to be entered to indicate revenue losses (pertaining to self-employment income). (4) According to the IRS, his taxable income is $0.00. (5) AHCT allows a "third exception" beyond student loan interest and IRA contribution which no representative of AHCT has been able to provide information on therefore he does not know what this exception is or if he would qualify for it. (6) No representative from AHCT has provided information pertaining to "mitigating circumstances." (Appellant Testimony)

7. The Appellant was able to reactivate his coverage (temporarily) by qualifying for a student loan interest exception and contributing a portion of his income to an Individual Retirement Account ("IRA"). (Appellant Testimony)

8. On ████ 2024, the Appellant emailed the undersigned hearing officer regarding his self-employment income. The Appellant included the following attachments. (1) Mock Schedule C (Form 1040) Profit or Loss From Business form, (2) sections 7c (self-employment), 8a (other income), 8b (deductions) and 8c (yearly income) from AHCT's Renewal Form, (3) a copy of a NOA that was sent to him on ████ █ 2024 regarding the discontinuation of HUSKY D effective ████, 2024, and (4) a copy of the Renewal that was sent to him on████ 2024 by AHCT. (Appellant's Exhibits A: Email correspondence, B: W-1040 Form, C: AHCT Renewal Form Sections, D: NOA dated ████ 2024, E: Renewal Form dated ████ 2024)

9. The issuance of this decision is timely under Connecticut General Statutes 17b-61 (a), which requires that a hearing be held, and a decision be issued within █ days of the request for an administrative hearing. The hearing request was received on ████, 2024. This hearing was first scheduled to be held on ████ 2024, rescheduled to ████, 2024, and rescheduled a second time to ████, 2024. Additionally, the hearing record was left open, per Appellant request, until ████ 2024. Due to rescheduling and the extending of the closing of the hearing record, an additional ████e days have been added to the decision due date, making this decision due to be issued no later than ████, 2024.

CONCLUSIONS OF LAW

1. Section 17b-260 of the Connecticut General Statute ("Conn. Gen. Stat.") provides that, "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. Conn. Gen. Stat. § 17b-290(16) provides that, "HUSKY D" or Medicaid Coverage for the Lowest Income Populations program means Medicaid provided to non-pregnant low-income adults who are age 18 to sixty-four, as authorized pursuant to section 17b-8."

   AHCT correctly determined the Appellant, if eligible for Medicaid, would be placed under HUSKY D coverage.

3. Conn. Gen. Stat. § 17b-261(a) provides, "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."

4. Conn. Gen. Stat. § 17b-264 provides that, "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."

5. Title 45 section 155.110(a) of the Code of Federal Regulations ("C.F.R.") 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: (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."

6. 45 C.F.R. § 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) or this section that is designated by the Exchange, if the Exchange establishes an appeals process in accordance with the requirements of this subpart."

   "An appeals process established under this subpart must comply with § 155.110(a)."

7. 45 C.F.R. § 155.310(a)(1) provides that, "The exchange must accept applications from individuals in the form and manner specified in § 155.405."

   "The application. The Exchange must use a single streamlined application to determine eligibility and to collect information necessary for:
   1. Enrollment in a QHP;
   2. Advance payments of the premium tax credit;
   3. Cost-sharing reductions; and
   4. Medicaid, CHIP, or the BHP, where applicable."

   45 C.F.R. § 155.405(a)

   "Filing the single streamlined application. The Exchange must accept the single streamlined application from an application filer." 45 C.F.R. § 155.405(c)(1)

   AHCT correctly accepted the Renewal Application submitted by the Appellant via the Exchange portal on [redacted] 2024.

8. 42 C.F.R. § 435.119 provides for the coverage for individuals aged 19 or older and under 65 at or below 133 percent Federal Poverty Level ("FPL") as follows:
   a. Bases. This section implements section 1902(a)(10)(A)(i)(VIII) of the Social Security Act.
   b. 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 title XVIII of the Social Security Act:
4. Are not otherwise eligible for an enrolled for mandatory coverage under a State's Medicaid State plan in accordance with subpart B of this part:
5. Have household income that is at or below 133 percent FPL for the applicable family size.

AHCT correctly considered the relevant criteria when determining the Appellant's eligibility for HUSKY D Medicaid.

9. The 2024 Federal Poverty Limit ("FPL") for a household of one in the 48 Contiguous States and the District of Columbia is $1,255.00 per month as set by the U.S. Department of Health and Human Services annually ($1,255.00 per month x 12 months = $15,060 per year). [Federal Register / Vol. 89, No. 11 / Wednesday, January 17, 2024 / Notices pp. 2961]

   42 C.F.R § 435.603(d)(4) provides that, "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.

   The hearing record reflects the Appellant is a household of one. Additionally, the Renewal Application submitted by the Appellant on ████████ 2024, lists himself as the only household member.

   Therefore, the Appellant is subject to the income standard for a household of one which is $1,255.00 per month or $15,060.00 per year ($1,255.00 per month x 12 months = $15,060.00 per year)

   133% of the FPL for a household of one is $1,669.15 ($1,255.00 x 133% [1.33] = $1,669.15 (per month).

   Five percent (5%) of the FPL for a household of one is equal to $62.75 ($1,225.00 per month x .05)

   $1,699.15 + $62.75 = $1,731.90 (rounded up to nearest whole dollar value)

AHCT correctly determined the HUSKY D income limit for a household of one is $1,732.00.

10. 45 C.F.R. § 155.320(c)(2)(ii) provides, ""The exchange must verify MAGI-based income, within the meaning of 42 CFR 435.603(d), for the household described in paragraph (c)(2)(i) in accordance with the procedures specified in Medicaid regulations 42 CFR 435.945, 42 CFR 435.948, and 42 CFR 435.952 and CHIP regulations at 42 CFR 457.380."

11. Title 26 of the United States Code ("U.S.C") § 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."

12. 42 C.F.R. § 435.603(d)(1) provides, "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(e) provides for MAGI-based income as follows: "For the purposes of this section, 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 the following exceptions:

    1. An amount received as a lump sum is counted as income only in the month received.
    2. Scholarships, awards, or fellowship grants used for education purposes and not for living expenses are excluded from income.
    3. American Indian/Alaskan Native exceptions.

13. 20 C.F.R. § 416.1121(a) provides for types of unearned income as follows: "Annuities, pensions, and other periodic payments. This unearned income is usually related to prior work or service. It includes, for example, private pensions, social security benefits, disability benefits, veteran's benefits, worker's compensation, railroad retirement annuities and unemployment insurance benefits."

AHCT correctly determined the Appellant's Social Security benefits are to be considered unearned income for the purposes of determining eligibility for HUSKY D.

14. 42 C.F.R. § 435.603(a)(2) provides that, "Effective January 1, 2014, the agency must apply the financial methodologies set forth in this section in determining the financial eligibility of all individuals for Medicaid, except for individual identifiers in paragraph (j) of this section and as provided in paragraph (a)(3) of this section."

15. 45 C.F.R. § 155.605 provides for Eligibility standards and exemptions as follows: (a) Eligibility for an exemption through the Exchange. Except as specified in paragraph (g) of this section, the Exchange must determine an applicant eligible for and issue a certificate of exemption for any month if the Exchange determines that he or she meets the requirements for one or more of the categories of exemptions described in this section for at least one day of the month. (b) Duration of single exemption. Except as specified in paragraphs (c)(2) and (d) of this section, the Exchange may provide a certificate of exemption only for the calendar year in which an applicant submitted an application for such exemption. (c) Religious conscience.

    (1) The Exchange must determine an applicant eligible for an exemption for any month if the applicant is a member of a recognized religious sect or division described in section 1402(g)(1) of the Code, and an adherent of established tenets or teachings of such sect or division, for such month in accordance with section 5000A(d)(2)(A) of the Code. (d) Hardship. (1) General. The Exchange must grant a hardship exemption to an applicant eligible for an exemption for at least the month before, the month or months during which, and the month after a specific event or circumstance, if the Exchange determines that: (i) He or she experienced financial or domestic circumstances, including an unexpected natural or human-caused event, such that he or she had a significant, unexpected increase in essential expenses that prevented him or her from obtaining coverage under a qualified health plan; (ii) The expense of purchasing a qualified health plan would have caused him or her to experience serious deprivation of food, shelter, clothing or other necessities; or (iii) He or she has experienced other circumstances that prevented him or her from obtaining coverage under a qualified health plan.

    (2) Lack of affordable coverage based on projected income. The Exchange must determine an applicant eligible for an exemption for a month or months during which he or she, or another individual the applicant attests will be included in

the applicant's family, as defined in 26 CFR 1.36B-1(d), is unable to afford coverage in accordance with the standards specified in section 5000A(e)(1) of the Code, provided that—(i) Eligibility for this exemption is based on projected annual household income; (ii) An eligible employer-sponsored plan is only considered under paragraphs (d)(4)(iii) and (iv) of this section if it meets the minimum value standard described in § 156.145 of this subchapter.

(3) Ineligible for Medicaid based on a State's decision not to expand. The Exchange must determine an applicant eligible for an exemption for a calendar year if he or she would be determined ineligible for Medicaid for one or more months during the benefit year solely as a result of a State not implementing section 2001(a) of the Affordable Care Act.

AHCT correctly determined the Appellant does not meet the exemption criteria specified in 45 C.F.R. § 155.605.

DISCUSSION

During the administrative hearing, the Appellant raised six issues/disputes which are listed in Finding of Fact # 6 and are addressed in this discussion (similar issues are raised in the email the Appellant sent to the hearing officer on [redacted] 2024).

1. **"AHCT uses the word "income" differently than the Internal Revenue Service ("IRS")."**

   Per 20 C.F.R. § 416.1121(a) Social Security benefits are considered unearned income (Conclusion of Law # 13)

2. **"The Appellant receives "Social Security Distributions" which the IRS does not consider "income" for tax purposes."**

   Per 20 C.F.R. § 416.1121(a) Social Security benefits are considered unearned income (Conclusion of Law # 13)

3. **"The AHCT application has two places where one can input "income" and AHCT does not allow for a negative number to be entered to indicate revenue losses (pertaining to self-employment income)."**

   Conclusions of Law #10, #11, #12, #13, and #14 address household income verification requirements, definitions of terminology regarding income, types of income (applicable to Appellant) and the application of financial methodologies as they pertain to determining eligibility for Medicaid.

   AHCT was unaware the Appellant had self-employment income in addition to Social Security therefore they neither counted such income nor allowed for disregards/deductions on such income.

   The undersigned hearing officer has no authority to make a ruling on the perceived limitations of the State's Health Insurance Exchange portal. Additionally, if such a ruling addressing said perceived limitations was to be issued, there is no conceivable way the ruling could be enforced at the level of Administrative Hearings.

4. "According to the IRS, his taxable income is $0.00."

Regulations governing how the agency is required to determine income eligibility for Medicaid are addressed in Conclusions of Law #9, #10, #11, #12, #13 and #14.

5. "AHCT allows a "third exception" beyond student loan interest and IRA contribution which no representative of AHCT has been able to provide information on therefore he does not know what this exception is or if he would qualify for it."

AHCT correctly applied a student loan interest deduction as allowed for in Conclusion of Law #11.

No evidence was provided at the administrative hearing to show the Appellant meets any of the exemption criteria specified in 45 C.F.R. § 155.605.

6. No representative from AHCT has provided information pertaining to "mitigating circumstances."

No evidence was provided at the administrative hearing to show the Appellant meets any of the exemption criteria specified in 45 C.F.R. § 155.605.

AHCT correctly determined the Appellant does not qualify for Medicaid under the HUSKY D program because his countable income (Social Security) exceeds the HUSKY D income limit for a household of one.

DECISION

The Appellant's appeal is **DENIED.**

Joseph Alexander
Joseph Alexander
Administrative Hearing Officer

CC:
Becky Brown, AHCT
Mike Towers, AHCT
Cathy Davis, AHCT

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, what new evidence has been discovered or what other good cause exists. If the request for reconsideration is granted, the appellant will be notified with **25** days of the request date. No response within **25** days means 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 date 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.