

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF HUMAN SERVICES
APPEALS OFFICE
600 New London Avenue
Cranston, Rhode Island 02920
(401) 462-2132/Fax# (401) 462-1678
TDD# (401) 462-3363

Docket # 15-295
Hearing Date: March 31, 2015

April 13, 2015



ADMINISTRATIVE HEARING DECISION

The Administrative Hearing that you requested has been decided in your favor. During the course of the proceeding, the following issue(s) and agency policy reference(s) were the matters before the hearing:

MEDICAL ASSISTANCE POLICY MANUAL: SECTION: 0348.40, 0348.40.05.05

The facts of your case, the agency policy, and the complete administrative decision made in this matter follow. Your rights to judicial review of this decision are found on the last page of this decision.

Copies of this decision have been sent to the following: you, agency representatives Linda Demoranville, Vincent Guglielmino and the Policy Unit.

Present at the hearing were: you, and agency representative Linda Demoranville.

ISSUE: Does the appellant owe and is it proper for the agency to continue billing her for past due Rite Care Family Premiums in the amount of \$154.00? Please see the attached APPENDIX for pertinent excerpts from the Rhode Island Department of Human Services Policy Manual.

DISCUSSION OF THE EVIDENCE:

The agency representative provided the following testimony:

- The agency representative stated that it is her understanding that the appellant owes past due Rite Care premiums for the months of August 2013 and for October 2012.
- The agency representative submitted a copy of the appellant's Cost Share History print out indicating that a Rite Care premium of \$92.00 was determined as the appellant's cost share effective August 1, 2013. The print out also indicates that a Rite Care premium of \$61.00 was determined as the appellant's cost share effective October 1, 2012.
- The agency representative did not have an agency notice for either of those months indicating a past due premium or notice from either of those months indicating that the appellant's eligibility would end due to non-payment of Rite Care premiums.
- The agency representative stated that the agency record most recently indicates that the appellant's Rite Care coverage closed effective November 30, 2014. The agency representative did not have an agency closing notice indicating an agency action to close the appellant's case effective November 30, 2014.

The appellant testified:

- The appellant stated that she was hospitalized and ill during the last 5 months of 2014. Her employment had ended due to her illness.
- She stated that she continues to receive a bill from the Rhode Island Premium Cost Share Program. She submitted a copy of a current bill dated March 13, 2015 indicating an amount due of \$154.00.
- She stated that she sent a check for \$62.66 to the Rhode Island Premium Cost Share Program prior to receiving the March 13, 2015 bill.
- She stated that the bill does not indicate which months she owes the premiums for or that her account was credited for the \$62.66 she sent with check #2118.
- She stated that she was never notified of her Rite Care closing due to past due premiums. She never received any notice about a sanction for non-payment.
- She stated that her Rite Care coverage ended in December 2014 because she notified the agency that she wanted her coverage to end.

FINDINGS OF FACT:

1. The agency Rhode Island Premium/ Cost Share Program continues to bill the appellant for past due Rite Care premiums totaling \$154.00. The most recent bill is dated March 13, 2015.
2. The appellant requested a hearing on this matter because she testified she recently paid the premium program \$62.60 which has not been credited to her account.
3. The agency did not submit a notice indicating that the appellant was provided with proper notice regarding her past due premium obligation.
4. This record of hearing was held open for one week to allow the agency to review the appellant's past due premium obligation and to submit documentation that the appellant was notified of the premium arrearage.

CONCLUSION:

The issue to be decided is whether the appellant owes and if it is proper for the agency to continue billing her for past due Family Premiums in the amount of \$154.00?

The agency representative testified that the agency record indicates that the appellant's Cost Share History indicates that the agency determined that the appellant's cost share was \$92.00 for the month of August 2013 and \$61.00 for the month of October 2012. The agency representative did not present any past notice from the agency that informed her of a premium obligation and/or past due premium amount.

The agency representative responded to this record during the record held open period. The agency representative submitted that the case is a Rite Care premium case. The system shows that the appellant owes cost share premiums of \$77.00 per month for the months of September and October of 2014. The appellant's Rite Share case ended on August 31, 2014. The agency did not submit any notice documentation indicating that the appellant was notified of the past due premiums for either September or October 2014.

The appellant submitted a copy of her current bill from the agency fiscal agent indicating that she continues to be billed \$154.00 for the Rite Care premiums. The appellant provided verification that she issued a check for \$62.66 to the agency Cost Share fiscal agent. The appellant's testimony that she submitted a payment to the fiscal agent is not disputed by the agency.

Review of the agency record determines that the appellant was most recently determined eligible for Medical Assistance on October 11, 2011 and her Medical Assistance eligibility ended effective November 30, 2014.

The agency sent the appellant notice dated October 11, 2011 indicating that she and her minor child were determined eligible for Medical Assistance effective September 1, 2011. The agency sent the appellant notice dated August 20, 2012 notifying her that effective October 2012 she was required to pay a Monthly Family Premium in the amount of \$61.00.

The agency sent the appellant notice dated December 4, 2013 notifying her that, "As of January 1, 2014, you no longer must pay the MA family premium". Review of the agency record determines that no subsequent notices were sent to the appellant regarding a premium obligation. The agency did not submit documentation indicating that the appellant was provided with proper notice regarding the past due premiums.

After careful review of the agency policy, the evidence and testimony submitted it is determined that the appellant does not owe the \$154.00 Family Premiums sought by the agency.

The agency action to continue billing the appellant for the past due Rite Care premiums is not correct. The appellant's request for relief is granted.

ACTION FOR THE AGENCY:

The following groups are exempt from cost sharing requirements:

- o American Indian and Alaskan native children under the age of nineteen (19).
- o Pregnant women

COST SHARING

0348.40

- o Children under one (1) year of age.

Rlte Care members may raise cost sharing appeals. Appeals related to non-emergency use of the emergency room or emergency transportation are first heard by the HMO. The recipient has the right to appeal the decision with the Department of Human Services through the Administrative Appeals process.

Non-Payment of Premiums

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Individuals and families with countable income under 250% of FPL who are subject to cost sharing requirements must pay a monthly premium in order to maintain MA eligibility as follows:

1. For new MA applicants, no premium payment is required for: the month in which the MA application is received by DHS; or the month following the month of application. For purposes of this policy section, new MA applicant means an individual who did receive MA at any time during the month of application or the month before the month of application. (For an MA application filed 11/21, no premium is charged for November or December.) Depending upon when an application is received by the Department and when it is approved, a member could be responsible for a premium for a month in which they did not know that they were eligible.

Non-Payment of Premiums

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2. A re-applicant is treated like a current recipient. See "CHANGES IN COST SHARING STATUS" below. For purposes of this policy section, a re-applicant means an individual who received MA benefits at any time in the month of application, or the month prior to the month of application.
3. Payment of the initial premium is due on the first of the month following the date of the initial bill. The initial bill will be sent during the first regular billing cycle following

MA acceptance, and, depending on the date of MA approval, be for(1) or more months of premiums due.

4. Ongoing monthly bills will be sent to the individual or family approximately fifteen (15) days prior to the due date. Premium payments are due by the first (1st) day of the coverage month. (Payment for the month beginning 1/1 through 1/31 is due by 1/1.)

Premiums 0348.40.05.05 Non-Payment of

5. If full payment is not received by the twelfth (12th) of the month following the coverage month, a notice of MA discontinuance is sent to the individual or family. MA eligibility is discontinued for all family members subject to cost sharing at the end of the month following the coverage month. (If payment due on 1/1 is not received by 2/12, MA eligibility is discontinued effective 2/28.)

6. Dishonored checks and incomplete electronic fund transfers are treated as non-payments.

7. Individuals and families, who are discontinued for failure to pay a required premium are subject to a four (4) month restricted eligibility period, during which access to MA health coverage is denied. The restricted eligibility period

Non-Payment of Premiums

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applies to all members of the family financial unit who are subject to cost-sharing. It begins on the first of month after MA coverage ends and continues for four (4) full months. (If MA is discontinued effective 11/30, a restricted period of eligibility, during which MA is denied, will exist for the months of December, January, February and March sanctioned and disenrolled from MA coverage until balance is paid in full. Once balance is paid in full, sanction will be lifted and eligibility will be reinstated effective the first of the month following the month of payment. If payment is made more than 30 days after the close of the case, in addition to the payment, a new application will be required.

8. DHS has the authority to recover Medical Assistance benefit overpayment claims and cost share arrearages through offset of the individual state income tax refund in accordance with Sections 44- 30.1-1, 44-30.1-3, 44-30.1-4 and 44-30.1-8 of the

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Rhode Island General Laws in Chapter 44-30.1 entitled 'Setoff

of Refund of Personal Income Tax.' An example of a cost share arrearage is premium owed to the DHS by a beneficiary for a month in which Medical Assistance eligibility was active for at least one day.

9. MA coverage shall be reinstated without penalty for otherwise eligible family members if all due and overdue premiums are received by the Department's fiscal agent on or before the effective date of MA discontinuance.

An exemption may be granted in cases of good cause, as provided below. Non-Payment of Premiums

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A restricted eligibility period may be shortened and MA eligibility re-established if: a) DHS determines that there was good cause for nonpayment of the premium and the individual remits all past due premiums; or b) the individual or family is no longer subject to cost-sharing requirements (e.g., family income decreases). Good cause means circumstances beyond a family's control or circumstances not reasonably foreseen which resulted in the family being unable or failing to pay the premium. Good cause circumstances include but are not limited to:

- o Serious physical or mental illness.
- o Loss or delayed receipt of a regular source of income that the family needed to pay the premium.
- o Good cause does not include choosing to pay other household Non-Payment of Premiums

0348.40.05.05 expenses instead of the premium.

The state will also take action to collect premiums via tax offset as stated in Section 0313.

APPELLATE RIGHTS

This Final Order constitutes a final order of the Department of Human Services pursuant to RI General Laws §42-35-12. Pursuant to RI General Laws §42-35-15, a final order may be appealed to the Superior Court sitting in and for the County of Providence within thirty (30) days of the mailing date of this decision. Such appeal, if taken, must be completed by filing a petition for review in Superior Court. The filing of the complaint does not itself stay enforcement of this order. The agency may grant, or the reviewing court may order, a stay upon the appropriate terms.