STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES
APPEALS OFFICE - LP Bldg.
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Docket # 14-667

Date: July 9, 2014

Hearing Date: May 21, 2014

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:

CHAPTER V: ADVANCE PREMIUM TAX CREDIT RECONCILIATION

B. Option to Receive Premium Tax Credit in Advance
2. Reconciling Advanced Premium Tax Credit end of year,
d) Treatment of APTC's Received during Grace Periods

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 (the appellant), and HSRI Agency representative: Lindsay Lang.

Present at the hearing were: You, HSRI representatives: Lindsay Lang, and Benjamin Lee.

ISSUE: Should the appellant have her January premium applied towards the month of April?

POLICIES:
Please see the attached APPENDIX for pertinent excerpts from the Rhode Island Policy Manual (HSRI Manual).

APPEAL RIGHTS:
Please see attached NOTICE OF APPELLATE RIGHTS at the end of this decision.

DISCUSSION OF THE EVIDENCE:

The Agency representative testified:

- She (the appellant) is appealing a combined notice of eligibility indicating that she would have coverage beginning on January 1, 2014.
- According to the appellant and the state agency, she first applied for coverage in December (2013) for January 1st coverage.
- The Health Source Rhode Island system has experienced system errors over the last couple of months which result in inadvertent disenrollment of the customer's coverage.
- This occurred to the appellant in January and she was disenrolled that month.
- HSRI has had contact with the appellant, and there is currently an attempt to have her January premium applied to a future month of coverage.
- She was unable to use her coverage for January, February, and March.
- In March she received a health insurance card but was unable to use it for a scheduled appointment that month, and needed to reschedule the appointment for April.
- The appellant is seeking to have her coverage begin April 1st the first month she was able to use the card.
- She would like to have the January premium applied to April.
- Once the Agency is able to reconcile the case in the computer system so that this is reflected in her HSRI account; and, once the application of the premium is corrected and is applied for April, she would like to continue her coverage with an understanding that she would be responsible for the premiums moving forward.

- The Agency feels they should be able to accomplish this, but they are unable to present a final resolution at this time, and hope to resolve this at a future date.

- There is no policy which covers all these issues, but the informal resolution which has been developed at the center has been used to successfully reconcile with other customers who have had similar issues.

- It is also the Agency's intent to take her name off the list for terminations that would be effective at the end of this month.

- If the Agency can get her tax credit applied to April she would not be on the termination list for the end of May as she has a 90 day grace period beginning with the first month of application.

- Because she is a tax credit recipient, it usually works like this-If the tax credit was applied to April, then, on April 24th her May payment becomes late, and she would have a month of a special grace period. She would have no issues receiving services through the end of May.

- In June and July if she went to receive services, and still had not paid, the carrier might pend her claims until she becomes current on her bills anytime in the 90 day grace period.

- This is a special case, because she has been attempting to rectify this for a couple of months, so she must be taken off the termination list, and this needs to be rectified as soon as possible.

- Her original premium was applied in January allowing her a 90 day grace period, but we want to apply it to April because she was unable to use the coverage in January, February, and March.

- The payment for May should have been paid by April 23rd, but due to the circumstances she has not paid.

- She should have 90 days before anything happens. We don't know when this is going to be resolved, but she has some time for payments prior to termination.

The appellant testified:

- She would be happy with the resolution suggested by HSRI.

- She would like to submit the printouts from her online account, as well as the many dates she was cancelled and disenrolled, and cancelled and disenrolled up until April.
- She would like to submit the invoices which show that following her first payment she continued to have a credit of $225.19 in both January and then in February.
- She was told they (HSRI) were trying to get her application to the finance department but in March she then received a bill for $402 for the months of January, February, and March.
- She was referred to the appeal process when she spoke with the representative.
- She then received another invoice for $1030.37 for the months of April, May, and June.
- She did get two notices of coverage from Blue Cross-the first indicated her coverage began in January and ended in January; the second indicated she had coverage retroactively in January, but she did not and is not paying for that.
- She wanted to submit a packet of notes which summarized all her interactions with HSRI.
- HSRI already took her premium and tried to apply it towards a former bill-possibly January.

FINDINGS OF FACT:

- An enrollment notice dated March 31, 2014 informed the appellant she was eligible for health insurance as of January 1, 2014.
- The appellant filed an appeal on April 10, 2014.
- The appellant began attempts at resolution with HSRI in the month of January.

CONCLUSION:

The issue to be decided is whether the appellant should have her January premium applied towards the month of April.

The appellant argues that she began application for health insurance prior to January 1st, 2014. She paid her first month premium for January, and still did not have coverage in March. The Agency continued to bill the appellant for subsequent months in which she did not have coverage.

The Agency is in agreement that the appellant is due reconciliation. They had begun the process to rectify the situation, but to date, they had not been able to do so, and the appellant wanted oversight through the appeals process.

Both the Agency and the appellant are in agreement that application of the initial premium should be applied in April, and the appellant will pay the premiums going forward. The Agency testified that the new computer system had inadvertently disenrolled customers, and the appellant was one of those customers. They further cited that the issues were not specifically policy issues, but were systems issues which had been reconciled in the past for clients with similar situations.

Review of policy indicates that recipients of qualified health plans (QHP) with tax credit allowance have 90 day grace period following a timely payment of the initial premium. Following a period of nonpayment the client is at risk for termination of the policy.

In this case, the Agency testified that if policy is implemented, there is concern that the appellant may lose coverage again as the premium has not been adjusted towards the month of April, but continues to be applied towards the month of January when the appellant did not have coverage, and thus she chose not to pay the ongoing bills. Both the Agency and the appellant are in agreement that the premium should be applied towards the month of April; the first month the appellant was able to utilize her medical coverage. The appellant would need to pay her additional premiums for the months of May, June and July any time within the grace period in order to continue coverage. The Agency agreed they would attempt to insure that the appellant does not lose coverage. They acknowledged their responsibility resulting from system errors. They concurred with the appellant's testimony, and they agreed to continue reconciliation. However, the appellant began request for consideration in January, and as of the date of the writing of this decision, neither the Agency nor the appellant have withdrawn.

The appellant submitted 5 pages of notes which documented that her application process began on December 21, 2013. She began to experience billing difficulties almost immediately, and then discovered that her insurance had been terminated in mid-January. According to the notes submitted into evidence, her first premium was paid on December 30th. Between December 21st and May 20, the appellant noted speaking to 20 different representatives, either at Blue Cross or at HSRI, in an attempt to rectify the situation. Additionally, she visited HSRI on at least two occasions for face to face attempts. At this time, she is asking that the premium she paid for coverage in January, which she did not receive, now be applied towards the month of April.

In summary, the appellant made a good faith effort to rectify her lack of insurance coverage. She subsequently chose not to pay for coverage to which she had no

access, until resolution was complete. The Agency did not dispute the credible testimony of the appellant, and in fact agreed that the appellant was wronged when she was inadvertently removed from health coverage and was unable to utilize coverage for which she had already paid. The appellant did not receive the services for which she was due; was billed $1030.37 for additional services she was unable to access; and, has been unable to have her initial premium applied to the month of April-the month she did begin receiving services. As a result, this appeals officer finds for the appellant.

After a careful review of the Agency's policies, as well as all the evidence and testimony given, this Appeals Officer finds that the appellant should have her January premium applied towards the month of April to allow for ongoing coverage. The appellant's request for relief is granted.

ACTION FOR THE AGENCY:

Health Source Rhode Island is charged with insuring that the appellant has her January premium applied towards the month of April. The appellant is not responsible for the previous bill of $1030.37, dated April 25, 2014. The appellant is responsible for premiums for the months beginning with May 2014 and going forward.

Pursuant to DHS Policy General Provisions section 0110.60.05, action required by this decision, and completed by the Agency representative must be confirmed in writing to this Hearing Officer.

Karen E. Walsh
Appeals Officer