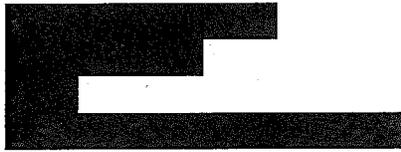




Rhode Island Executive Office of Health and Human Services
Appeals Office, 57 Howard Ave., LP Building, 2nd floor, Cranston, RI 02920
phone: 401.462.2132 fax: 401.462.0458

Date: July 24, 2015

Docket#15-788
Hearing Date: June 1, 2015



ADMINISTRATIVE HEARING DECISION

The Administrative Hearing that you requested has been decided against you. During the course of the proceeding, the following issue(s) and Agency regulation(s) were the matters before the hearing:

EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES (EOHHS)
R.I. MEDICAID CODE OF ADMINISTRATIVE RULES (MCAR)
SECTION: 0370 SSI-Related Coverage Groups
SECTION: 0362.05--Income Standards for Individuals/Couples
SECTION: 0364.05.10-- \$20/Month General Income Exclusion
SECTION: 0368 Flexible Test of Income

The facts of your case, the Agency regulations, 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 Agency representatives Cheryl Tremblay, William O'Donnell, Marianne Nerbonne, and Denise Tatro.

Present for the hearing in the DHS Office were: Agency representative Cheryl Tremblay. Present for the hearing by telephone were: You (the appellant).

ISSUE: Is the appellant ineligible for Medicaid as of April 7, 2015 because his countable monthly income exceeds the medically needy income standard of \$867.00?

EOHHS Rules and Regulations:

Please see the attached APPENDIX for pertinent excerpts from the Rhode Island Executive Office of Health and Human Services Medicaid Code of Administrative Rules (MCAR).

APPEAL RIGHTS:

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

DISCUSSION OF THE EVIDENCE:**The Agency representative testified:**

- The appellant receives monthly Social Security Disability income of \$1,007.00.
- After the \$20.00 disregard, his countable income is \$987.00.
- The appellant's income is over 100% of the Federal Poverty Level (FPL) and roughly \$120.00 over the SSI limit, so this puts him into a flex.
- The appellant needs to have outstanding medical bills totaling \$720.00 to meet his flex or spend down amount before he would become eligible for Medicaid.
- The information about the appellant's income was received electronically from the Social Security Administration.

The appellant testified:

- He receives disability/SSI.
- His monthly income is \$835.00.
- He has been getting this income since he was about 16 years old.
- Sometimes his father gives him some spending money but he does not receive any other income.
- He has never received \$1,007.00 and does not know where the Agency got the information that he receives \$1,007.00.
- He has a letter from Social Security stating how much income he gets from them.

- He needs the Medicaid to help pay his medical bills. He has a medical bill which he is making payments on.

FINDINGS OF FACT:

- The Agency sent the appellant a notice dated March 22, 2015 informing him that eligibility for Rhode Island Medical Assistance would end on April 7, 2015 because his countable monthly income exceeds the SSI medically needy income standard of \$867.00.
- The appellant submitted a timely request for hearing, received by the Agency on April 3, 2015.
- An Administrative Hearing was convened on June 1, 2015.
- Per the appellant's request, the record of hearing was held open through the close of business on June 15, 2015, to allow for the submission of additional evidence.
- Evidence was received during the held open period from both the appellant and the Agency, made part of the record of hearing, and copies provided to the opposing parties.
- On July 3, 2015, the record of hearing was reopened for an additional two weeks, through the close of business on July 17, 2015, for the appellant to submit further evidence.
- No additional evidence was submitted prior to the July 17, 2015 deadline.
- The appellant receives gross monthly income of \$1,007.00.
- For determining his Medicaid eligibility, the appellant has countable monthly income of \$987.00.
- 100% of the Federal Poverty Level (FPL) is \$980.83.
- The monthly Medically Needy income standard for a family of one is \$867.00.
- The appellant has excess income of \$120.00 each month.
- The appellant has excess income of \$720.00 for the six-month flex period from April 1, 2015 through the last day of September 2015.

CONCLUSION:

The issue to be decided is whether the appellant is ineligible for Medicaid as of April 7, 2015 because his countable monthly income exceeds the medically needy income standard of \$867.00.

The appellant argues that he needs his Medicaid to continue because he has medical bills that need to be paid. The Agency argues that the appellant is no longer eligible for Medicaid because his income is over 100% of the Federal Poverty Level (FPL) and is roughly \$120.00 over the SSI medically needy income limit. The Agency testifies that as a result, the appellant has been placed in a flex and he needs to have outstanding medical bills totaling \$720.00 to meet his flex, or spend down amount, before he would become eligible for Medicaid.

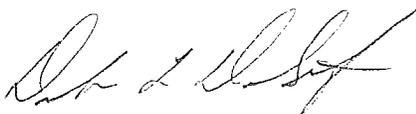
The Agency testifies that they received information electronically from Social Security informing them that the appellant receives a monthly Social Security disability benefit of \$1,007.00. The appellant testifies that he receives a monthly SSI (Supplemental Security Income) disability benefit of \$835.00. The Agency submits a copy of a computer screen from the appellant's case file which indicates that that per Social Security updates applied on December 14, 2014, the appellant was to receive monthly RSDI (Retirement, Survivors, and Disability Insurance) of \$1,007.00 effective January 1, 2015. The appellant submits a Social Security Administration letter dated June 19, 2014, which states that he was to receive a monthly RSDI benefit of \$896.00, beginning with the month of June 2014. The letter also states that Medicare premiums would be deducted from his benefit but the amount of the Medicare premium was not indicated. Due to the date/age of the Social Security letter submitted by the appellant and the appellant's insistence that he does not receive the amount of income testified to by the Agency, the record of hearing was reopened to allow the appellant to submit a more recent Social Security award letter and/or other evidence which would verify that his current income was what he claimed. No evidence other than the June 19, 2014 Social Security letter was submitted.

The best available information must be utilized in determining the appellant's countable income. As the document submitted by the Agency provides more recent information from Social Security than that submitted by the appellant, and the document submitted by the appellant establishes that he receives RSDI as reported by the Agency as opposed to SSI as he claimed, and also fails to support his testimony that he receives a monthly Social Security benefit of \$835.00 as he testified to, it must be concluded that the appellant was receiving a monthly RSDI benefit of \$1,007.00 when his Medicaid closed on April 7, 2015. Per the Medicaid Code of Administrative Rules (MCAR), the first \$20.00 of unearned income is excluded, thereby resulting in monthly countable income of \$987.00 for the purposes of determining his Medicaid eligibility.

Further review of the MCAR finds that the Medically Needy Income Limit for an individual as of April 2015 is \$867.00. As the appellant's countable income clearly exceeds the Medically Needy income standard by \$120.00 a month, he is ineligible for Medicaid as of April 2015. It must be noted, while the Agency closed the appellant's Medicaid because his income exceeded the Medically Needy Income limit, in their attempts to explain why the appellant lost his Medicaid eligibility, they also testified that he was ineligible for continued Medicaid because his income exceeds 100% of the Federal Poverty Level (FPL). This Appeals Officer will therefore acknowledge that Medicaid eligibility is available to some low-income disabled individuals if their income is below 100% of the FPL, but since the appellant's countable income exceeds 100% of the FPL, or \$980.83, he is ineligible for Medicaid under that coverage group as well.

Further review of the Medicaid Flexible Test of Income rules reveals that when an applicant's income exceeds the medically needy income limit, eligibility for Medicaid may be established if the applicant spends down the excess income, which is projected over a six-month period. The date of eligibility is the date on which the applicant incurs a medical expense that reduces the income to the income standard and income eligibility remains for the balance of the six-month time period. When projected over the six-month time period from April 1, 2015 through the last day of September 2015, the appellant's excess income totals \$720.00. The record fails to establish/verify the cost of the appellant's Medicare and lacks any evidence that the appellant has submitted any medical bills/expenses to the Agency for consideration towards his flex amount. The appellant's excess income thereby remains at \$720.00.

After a careful review of the MCAR, as well as the testimony and evidence submitted, this Appeals Officer finds that the appellant is ineligible for Medicaid as of April 7, 2015 because his countable monthly income exceeds the medically needy income standard of \$867.00 and he has failed to document that he has incurred allowable medical expenses that exceed his total excess income of \$720.00 for the flex period from April 1, 2015 through the last day of September 2015. The appellant's request for relief is thereby denied.



Debra L. DeStefano
Appeals Officer

APPENDIX

0370.70 Low Income Aged and Disabled

REV: February 2014

This coverage group consists of individuals and members of couples who:

- Are over the age of sixty five (65) or disabled. (An individual whose eligibility is based solely on blindness is not eligible under this coverage group. However, a blind individual who also meets the criteria for disability may be eligible).
- Have countable income which is less than or equal to one hundred percent (100%) of the federal poverty income level guidelines;
- Have countable resources within the medically needy resource limit; and
- Meet all other technical and cooperation requirements Medicaid.

Under this coverage group:

- Income limits are rigid. There is no flexible test of income.
- Cost of living increases in Title II benefits (COLAs) effective in January each year are disregarded in determining income eligibility through the month following the month in which the annual federal poverty guidelines are published in the Federal Register.
- Eligible individuals and couples receive the full scope of categorically needy services.
- As with other SSI related coverage groups, retroactive coverage for the three (3) months prior to application is available to eligible individuals.

0362.05 Income Standards - Individual/Couple

REV: April 2015

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2015 TABLE OF MEDICALLY NEEDY MONTHLY INCOME LIMITS

1 Person	\$ 867.00	5 Persons	\$ 1,442.00
2 Persons	\$ 908.00	6 Persons	\$ 1,625.00
3 Persons	\$ 1,125.00	7 Persons	\$ 1,783.00
4 Persons	\$ 1,283.00	8 Persons	\$ 1,967.00

2015 FEDERAL POVERTY LEVEL MONTHLY INCOME GUIDELINES

Individual	\$ 980.83
Couple	\$ 1,327.50

100% of Federal Poverty Level Income Guidelines for Qualified Medicare Beneficiaries (QMB's) and Low-Income Aged and Disabled

0364.05.10 \$20/Month General Income Exclusion

REV:06/1994

The first \$20 per month of unearned income is deducted from income.

The \$20 is applied to earned income only if the \$20 cannot be applied to unearned income. The dollar amount of this exclusion is not increased when an eligible individual and eligible spouse both have income. An eligible couple receives one \$20 exclusion per month.

0368 FLEXIBLE TEST OF INCOME

0368.05 USE OF EXCESS INCOME

REV:06/1994

An individual who meets the other eligibility requirements, but has income in excess of the Medically Needy income limits may be eligible for Medical Assistance in accordance with the Flexible Test of Income.

Flexible Test cases are determined for a six (6) month period beginning with the first day of the month in which application is received. Eligibility as Medically Needy is not established, however, until the applicant has presented 1) RECEIPTS FOR MEDICAL SERVICES INCURRED DURING THE PERIOD OF DETERMINATION and/or 2) UNPAID BILLS incurred either during the CURRENT PERIOD of determination AND/OR PRIOR TO APPLICATION for which the individual is STILL LIABLE equal to the amount of such excess income. The only exception is in the case of medical expenses which are paid by or are the liability of other medical care programs that are funded 100% with State funds. For example, a applicant's medical expenses that have been paid (or are to be paid) by the RIPAE or Rite-Care programs are considered to be the liability of the applicant, and if otherwise allowable, are deducted from the spenddown liability. Medical expenses that are subject to payment by any other third party payer are not considered the liability of the applicant and are not deducted from the excess income.

In some cases, current payments ON THE PRINCIPAL BALANCES of loans to pay off old medical bills (i.e., bills incurred prior to the current budget period) are incurred health care expenses if certain conditions are met.

If the applicant is determined eligible under a flexible test of income, the applicant is certified for SIX (6) MONTHS OR FOR THE BALANCE OF THE SIX (6) MONTH PERIOD remaining when the excess income is absorbed.

NOTICE OF 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.