

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES
APPEALS OFFICE - LP Bldg.
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Date: July 18, 2014

Docket #14-686
Hearing Date: June 11, 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:

**THE DHS POLICY MANUAL: MEDICAL ASSISTANCE
SECTION 0348.40.05 Premium Share Requirements
SECTION 0348.40.05.05 Non-Payments or Premiums
SECTION 0349.05.10.05 Rite Share Enrollment as a Condition of Eligibility**

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 Agency representatives: Jacqueline Duffy, Cheryl Tremblay, Michael Richardson, and Denise Tatro.

Present at the hearing were: You, and Agency representative Cheryl Tremblay, and Jacqueline Duffy.

ISSUE: Is appellant required to pay in full, a past due Medical Assistance (MA) bill of \$427.00?

DHS POLICIES: Please see the attached APPENDIX for pertinent excerpts from the Rhode Island Department of Human Services Policy 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) was closed to her medical individually in December 2012, but her daughter remained eligible for the Rite Share/Rite Care program.
- According to the documents there was really no break in service for her daughter who remained eligible through November 2013.
- She (the appellant) was paying a premium share of \$61.00 per month to keep her daughter on the Rite Care medical assistance.
- I guess there was a closure in May where she was sanctioned because she didn't pay the bill, but then she did pay the bill.
- According to In Rhodes, Rite Care informed the Agency that the appellant had paid her bill on April 25th and the sanction was lifted.
- The worker sent out a May 15 notice requesting 4 consecutive paystubs for verification prior to May 25, 2014.
- There is a hand written note at the top of the notice, as well as an In Rhodes note indicating the stubs were dropped off on May 22, 2013.
- There was a June 5th denial letter sent out by the system, to the appellant for lack of verification, although she had already come into the office in May.
- The case got closed because the worker thought the documents were not received.

- There was a lapse in time before the worker worked on the recertification and noticed she (the appellant) had provided the information.
- In August, when the worker noted the pay stubs had been received, she reopened the case retroactive to May because she noted that the client had brought in the documents prior to the requested date.
- An August 7, 2013 notice was sent out to the client which informed her that the child was put back on medical assistance retroactively to May and ending at the close of the recertification period in November, 2013.
- The client would not know until August that she had been reopened retroactively because we have the ability to go back in our system.
- She now has seven months of bills forward to November as a result of the recertification from May to November.
- The worker was not sure if the appellant could wipe out her bills if she had not used the coverage, because something like that might have happened in the past with another case, but she is not sure what the actual outcome was that actually happened.
- She is unaware of what the policy is around this issue.
- An Eligibility screen shows the progression of Rite Care coverage for the daughter from January through March 2013, a nonpayment in April, and eligibility again in May.
- The Eligibility screen shows as well that the appellant was ineligible as of December 2012.
- At the time of the August letter when she was told her case was opened as of May, she needed to send in a request for her case to be closed.
- We cannot close a case unless there is some way of knowing.
- There is nothing in the CLOG showing that she (the appellant) had called, but it is possible because she (the worker) had been very busy during that time period, and they (DHS) had her in different locations in and out of the office.
- Also, she (the worker) does not document all her calls, so she can't say she (the appellant) did or did not call.
- A November 2013 closure notice indicated the case was closing on November 30, 2013.

- The August Rite Share bill identifies they will cancel her if they do not receive the full payment by August 31st.
- They (Rite Share) should have sanctioned her then for nonpayment, starting in August, but they did not.

The appellant testified:

- She thought the case had been closed in April 2013.
- Her main concern was that she has been paying weekly insurance through her job.
- She is on a family plan, and she pays \$66 weekly through her employer, since January 2013 for her and her daughter.
- She was told by Human Resources around March 2013, that she was cancelled on the Rite Share/Rite Care.
- She figured if she was cancelled and then she really did not do anything at that time, she would just get denied.
- She didn't know they would keep billing.
- Human Resources suggested keeping her daughter on the Rite Share, and she (the appellant) stay on the individual plan, but she wanted to keep the family plan with the company.
- She kept paying her regular insurance but then she got a couple of bills from Rite Share.
- She called Rite Share (around April), who said she had to pay her previous balance which she did.
- She thought she was all set and did not know she needed a written document to close.
- She called a second time, and Rite Share told her to call her DHS worker which she did.
- She thought she had called her DHS worker and left a voice message in May, but she remembered she called after the first bill she received which was in August, so it must have been in August.

- She called again after the next bill received in September leaving messages both times.
- She never did anything again, and she was not going to pay for something she was not using, as she was already paying for insurance.
- She noticed the amounts were increasing each month.
- She didn't respond because she left two messages already, and had also talked to Rite Share.
- She did not write or send anything to DHS because she was unaware she had to document anything.
- After making the calls, she never came to the office directly because she did not have time for that with her busy schedule.
- Finally this year when she continued to get the bills she came into the office at 8 am, and spoke with someone directly and then filed an appeal.
- She never used the coverage, and will get information from her doctor which will confirm that she has only ever used her commercial coverage.

FINDINGS OF FACT:

- A notice dated April 18, 2013 informed the appellant that her Medical Assistance (MA) would end on April 30, 2013 if she did not pay the premium of \$122.00 by April 30, 2013. She paid the premium on April 25, 2013.
- The appellant was informed in a notice dated May 15, 2013 that additional verification was needed by May 25th in order to avoid denial or closure of benefits. She provided the information at the DHS office, on May 22, 2014.
- The appellant received a denial notice on June 5, 2013 indicating that her MA had been denied for the month of May resulting from her lack of documentation previously requested.
- A notice dated August 7, 2013 informed the appellant that she was eligible for MA coverage retroactively, beginning on May 1, 2013.

- The appellant received a second Monthly Premium/Cost Share bill dated August 9, 2013. Premiums were owed for the months of May, June, July, August, and September totaling \$305.00. The bill noted that the account was two or more months overdue, and would be cancelled if payment in full was not received by August 31, 2013.
- The appellant continued to receive monthly bills in September, October, November, and December, with a total amount due of \$427.00.
- A denial notice dated November 18, 2013 informed the appellant her MA would end on November 30, 2013.
- The appellant filed an appeal on April 16, 2014.
- The appellant requested that the record of hearing remain opened until June 20, 2014 in order for additional evidence to be submitted.
- Additional evidence was received from the appellant on June 20, 2014.

CONCLUSION:

The issue to be decided is whether the appellant is required to pay a past due Medical Assistance (MA) family premium bill of \$427.00.

Per MA policy, some MA Rite Care recipients must pay a share of their premiums in order to maintain coverage. This premium is determined by coverage groups and countable family income. Additionally, a full monthly premium is due if the family received MA coverage for any portion of a coverage month.

There is no dispute that both the appellant and her daughter were recipients of MA prior to January 2013. In January, the appellant was no longer eligible but her daughter remained opened to MA. In March or April she was informed by her company's Human Resources person that she would be losing her medical assistance. Subsequent to this, she received a notice dated April 18th which notified the appellant her MA would end on April 30, 2013 if she did not pay the premium by April 30th. She paid the premium on April 25th. A May Rite share bill indicated she had brought her balances to \$0 as a result of that April 25th payment. The appellant also received a notice from DHS dated May 15th indicating she must provide proof of income and earnings prior to May 25th or her application might be denied or closed. She entered the DHS office on May 22nd and provided the needed documentation. At that time, she did not ask for closure. A June 5th notice informed the appellant she had lost her May coverage as she had not provided the needed documents. The appellant did not receive another notice or bill

until August when she received notice that she had MA coverage for her daughter retroactively since May. She also received an August Rite Share bill.

The appellant does not dispute that she received the August bill requesting premium payments from May through September. There is no dispute as well that the appellant never formally closed her account with DHS. However, the appellant argues that she had thought that her case was closed in April when the notice said her MA would be closed if she did not pay her premium; and again in June when she received the June closure notice. She never received another bill until August. She was pleased that it was now closed in June as she never used the coverage and was managing on her own to pay her insurance. The appellant further cites that she did attempt to cancel her coverage in August following receipt of the new notice, and following receipt of the August bill. She testified that she had called her DHS worker and left a voice message. She contends as well that she called again sometime in September following receipt of the second bill, and left a second message. She did not make any further attempts to rectify the bill which continued to increase through closure in November. In November, the appellant received a closure notice indicating her case would be closing due to her failure to return a Medical Assistance Renewal form.

The Agency counters that the June notice of closure was sent via the system, as the worker had not documented or noted the appellant had come into the office in May and provided the needed documents to an eligibility technician. In August, during a recertification, the worker became aware that the appellant had previously met the deadline for verifications in May and had brought in her documents as requested. She then corrected the appellant's coverage to reflect retroactive medical assistance back to May 2013, as a direct result of the last minute verification by the appellant. The Agency cites that policy allows this action. The Agency contends they could not close the case as they never received any indication from the appellant that she wanted the case to close. They further suggested that the appellant could have written a letter to have her case closed, and the appellant responded that she did not know this was necessary. The Agency concedes that it is quite possible the appellant did leave a message in August and again in September, as the worker was extremely busy with another project out of the office at that time, and she did not keep records of all her case logs. The Agency further noted that Rite Share, as noted on the premium bill, should have sanctioned the appellant in August following nonpayment of the premium. They identified that the bill indicated the case would close on August 31st if the premium was not paid in full; and, it was not.

Review of DHS policy indicates that a client can be "responsible for a premium for a month in which they did not know that they were eligible," supporting the Agency's actions. It further states that 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. In like manner, Rite Share policy allows termination of coverage until such time as the individual demonstrates compliance with enrollment procedures. In this case, the Agency contends that they were obligated to go back to the month of May for reopening

of the case, because the appellant had sent in her premium payments in late April, which allowed her case to remain open; and, then when she received the May notice indicating her case would close if she did not provide documentation, she provided the documentation which allowed the case to remain open. Thus, she was in compliance with procedures.

In summary, the appellant had received threat of MA closure or denial through both a Rite Share premium bill and two DHS notices in April and May respectively. The documents identified that in order to avoid closure she had to pay her bill in full, and had to provide needed documentation. She did both, which directly resulted in her coverage continuing beyond May. Additionally, the appellant came into the DHS office directly and supplied the ET with documents needed to keep her case opened, supporting the Agency's assumption that she clearly did not want her case closed, but wanted to extend the medical benefits. A June 5th notice identifying a May closure was specific to the appellant's lack of documentation in May, which she was aware she had just provided directly to the DHS office. She stated she did not attempt to clarify this notice, as she was happy the case was closed. She testified that in August following receipt of the new bill, she called to stop the bill and close the case. The Agency did not dispute this possibility and testified that they were not available by phone or in person to clarify the options available to the appellant. They further suggested that the bill should not have increased from August on, as the Rite Share bill read that if she did not pay the amount in full by August 31st the coverage would be cancelled, but it was not. The bill further identified that the appellant was two or more months in arrears, and the bill continued to increase by \$61.00 increments for the next four months, totaling \$427.00 after a December adjustment.

In conclusion, the appellant extended her MA benefits by her own timely payment of the April bill, and by her office visit to DHS to provide needed documentation to avoid closure. Her intent to keep the MA open was noted by the agency who retroactively kept her case opened from May through November directly resulting from her timely actions. The appellant admittedly never requested case closure prior to August. In August the new notice was not formally appealed by the appellant. However, she provided credible and undisputed evidence that she had made a good faith effort to contact her DHS worker at that time, and again in September to close her case and stop the bill. She submitted evidence supporting her statement that she did not use the coverage. The Agency conceded that the appellant very well could have made attempts to close the case, but they had not kept accurate phone records, and were unable to accommodate the clients, due to a particularly difficult schedule. As a result they were unavailable by phone, record, or in person for adjustment conferences. Additionally, the Agency allowed that the appellant should not have continued to have an increase in her premium as the August bill cited closure in August if the bill was not paid at that time- and it was not. Additionally the August bill cited that the appellant was already two or more months in arrears at the time of the billing.

Thus, the appellant should be found responsible for the first four months of coverage as she purposefully insured her continued coverage by her own timely actions. However,

she will not be held responsible for the months of September through November, as she showed a good faith effort to close her bill, but was unable to access assistance from the Agency in order to take action. Also, the Rite Share bill indicated the MA would end immediately if she did not pay the bill. She did not, but it continued to accumulate. As a result, the appellant is responsible for the initial months of May through August totaling \$244.00-the result of \$61.00 per month for four months. She will not be held responsible for the following months of September through November. The appellant then, is not responsible for the full MA bill.

After a careful review of the Agency's policies, as well as the evidence and testimony provided, the Appeals Officer finds that the appellant is not required to pay in full, a past due Medical Assistance (MA) family premium bill of \$427.00. The appellant's request for relief is granted.

ACTION FOR THE AGENCY:

The Agency is to rescind the MA family cost share premium bill of \$427.00, the total amount incurred for the months of May through November 2013. The appellant is to be billed for the months of May through August 2013 only.

Please note: the appellant submitted evidence to support her nonuse of the medical coverage. However, if evidence subsequently presents itself that the family's MA was utilized during the months of September through November 2013, the Agency retains the right to recoup the monthly cost share premium of \$61.00 per month for any month utilized.



Karen E. Walsh
Appeals Officer