

STATE OF VERMONT  
HUMAN SERVICES BOARD

In re ) Fair Hearing No. 11,357  
 )  
Appeal of )

INTRODUCTION

The petitioner appeals the decision by the Department of Social Welfare finding her ineligible for ANFC coverage retroactive to the date she filed an application for Medicaid. The issue is whether the petitioner can be considered to have filed a timely application for ANFC at that time.

FINDINGS OF FACT

On or about March 19, 1992, the petitioner went to the Department's office in her district because her husband, a dairy farmer, was having medical problems affecting his ability to work, and the family's debts were mounting. The testimony of both the petitioner and her caseworker indicates that their conversation that day focused on obtaining medical coverage for the petitioner's husband. However, the petitioner at that time was a relative stranger to public assistance programs and was dependent on her caseworker for advice as to which programs she might be eligible for.

On the written application that the petitioner filled out that day she checked only the Medicaid box, leaving blank the boxes for ANFC, food stamps, and fuel assistance. The worker admits that she probably did not advise the petitioner to

apply for ANFC because she, the worker, mistakenly thought that the petitioner and her husband, as operators of a dairy farm, would not be eligible for it. The Department now admits, however, that for the petitioner the eligibility criteria for "Medicaid incapacity" was identical to ANFC, and that the petitioner could not have qualified for Medicaid under incapacity unless she was also eligible for ANFC on that basis (see infra). The caseworker admits that she understood that the petitioner's family was in severe financial difficulty at that time, and there is no question that if the petitioner had been advised at that time that she may also have been eligible for ANFC she would have applied for it.

The Department initially denied the petitioner's application for Medicaid; but after the petitioner requested a fair hearing it reversed its decision and found the family eligible as of the date of their initial application--March 19, 1992. In the meantime, however, in December, 1992, while her initial appeal was still pending, the petitioner filed a new application for Medicaid; and on this application she also checked off that she wanted ANFC, food stamps, and fuel assistance. When the Department granted the petitioner Medicaid it also granted her ANFC--but only retroactive to her December, 1992, application.

At issue in this case is whether the Department should have granted the petitioner ANFC retroactive to March, 1992, when she first applied for, and was ultimately granted,

Medicaid. There is no dispute that the petitioner was eligible for ANFC as of March, 1992--had she applied for it.

ORDER

The Department's decision is reversed. The petitioner is found eligible for ANFC as of March, 1992.

REASONS

The ANFC regulation regarding "applications", W.A.M. 2208, includes the following:

Application is the specific action of completing, signing and submitting an application form furnished by the department which conveys a desire to receive aid or benefits from the department or to have eligibility for such aid or benefits considered.

. . .

The date of application, which governs the time limit for rendering and implementing a decision on the application, is the first date on which a signed application form is received in any department office, regardless of whether such application is sufficiently complete for an immediate decision on eligibility.

Since an individual's initial contact(s) with the department may not always result in immediate submittal of a signed application form, all contacts (e.g., in person, by telephone, by mail by referral from another agency) shall be considered inquiries up to the point of department receipt of a signed application form. Department response to inquiries shall include:

1. Furnishing application form(s);
2. Appropriate explanation of program(s) inquired about, including eligibility standards and criteria;
3. Explanation of applicant rights and responsibilities, including penalties for fraudulent acquisition and use of aid and/or benefits.

A signed formal application furnished by the DSW is required to begin action on a request for assistance or benefits. Such application may be obtained by calling, writing, or visiting any of the Department's offices.

. . .

The formal application gives the individual the means to furnish information necessary for a decision, protects him from being ruled ineligible without formal application, informs him of his rights and responsibilities, and provides a basis for appeal if he is dissatisfied with any action of or lack of action by the department.

. . .

(Emphasis added.)

In light of the undisputed facts in this case that the petitioner's caseworker was aware of the petitioner's financial situation but did not inform the petitioner of her potential eligibility for ANFC when she applied for Medicaid in March, 1992, it must be concluded that the petitioner's March, 1992, application for Medicaid constituted an "incomplete" application for ANFC as well. In that application (or shortly thereafter) the petitioner furnished the Department with all the information it needed to determine the petitioner's eligibility for ANFC, as well as for Medicaid (the eligibility criteria for those two programs being identical; see Medicaid Manual § 300 and W.A.M. § 2332). The only "information" lacking in that application was that the petitioner "desired" ANFC. Once the Department was informed that this was indeed the case, however, the petitioner should have been considered to have "completed" her application for

ANFC.

As noted above, there is no dispute that the petitioner was otherwise eligible for ANFC during this period. Given the above findings as to the circumstances of the petitioner's failure to "complete" this aspect of her application, it must be concluded that the above-cited regulation provides that the effective date of ANFC coverage is the date the petitioner first filed an "incomplete" application for it--March 19, 1992.<sup>1</sup> Accordingly, the Department's decision in this case is reversed.

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<sup>1</sup>It should be noted that this is not an "estoppel" case-- i.e., one in which eligibility can only be established ex post facto as a matter of legal "equity" based on some misinformation provided to the applicant by a caseworker (see, e.g., Fair Hearing Nos. 11,745 and 10,195). As noted above, there is no dispute in this case that the petitioner fully met the eligibility criteria for ANFC as of March, 1992. The conduct of the caseworker is critical in this case only to the extent that it provides the factual basis for concluding that the petitioner sufficiently communicated her "desire" to apply for ANFC when she applied for Medicaid in March, 1992, but left her application "incomplete" in this regard for reasons attributable to the Department.

The worst that is being said of the caseworker in this matter is that she made an honest mistake in comprehending the regulations regarding ANFC incapacity. Petitioner's counsel acknowledged, the petitioner's own testimony indicated, and the hearing officer, himself, has observed that this caseworker is a particularly competent individual who goes out of her way to try to help her clients. It is understood that in the arcane world of public benefits programs isolated mistakes and confusion regarding eligibility for various programs is inevitable--even for the most experienced and diligent of caseworkers. Whenever possible, however, the Department must ensure that its clients are not unnecessarily penalized as a result of those mistakes--especially when, as here, the regulations themselves (rather than "equity") provide a legitimate basis for those clients' eligibility.