

STATE OF VERMONT

HUMAN SERVICES BOARD

In re) Fair Hearing No. 12,285

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Appeal of)

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INTRODUCTION

The petitioner appeals the decision by the Department of Social Welfare denying her application for medicaid until she and her husband meet a spenddown amount determined by the Department based on their income and deductible expenses. The issue is whether the Department correctly applied the regulations regarding income eligibility for medicaid.

FINDINGS OF FACT

The petitioner and her husband were recipients of medicaid prior to July, 1993. Sometime in the summer, 1993, the Department redetermined the couple's six-month period of eligibility that began July 1, 1993. Based on income figures provided by the petitioner⁽¹⁾, the Department determined that she and her husband were \$834.00 over the program maximum for the six-month period. As a result, the Department notified the petitioner that she and her husband would not be eligible for medicaid until they incurred medical expenses of \$834.00 in the period July 1 through December 31, 1993. The petitioner promptly appealed this decision.

At a hearing held on November 24, 1993,⁽²⁾ the petitioner's husband alleged that he and his wife had incurred more medical bills than the Department had counted. The Department agreed to take into account any further information the petitioner could provide and to refigure the spenddown amount, and the hearing was continued for this purpose.

It appears that the petitioner did provide further information to the Department. Unfortunately, however, it included the fact that her earned income had recently increased, which resulted in a higher spenddown.

At a hearing held on December 29, 1993, the petitioner's husband stated that his wife's income had just gone down again. The Department agreed at that time to take another look at the couple's income and expenses.

Following a hearing scheduled for January 12, 1994, the Department submitted the worksheets its worker had used to compute the petitioner's eligibility. Based on the petitioner's income from July 1 through December 30, 1993, it showed a spenddown amount for that period of \$1,180.00. The worker notified the petitioner that she should bring in any more medical bills she had for that period because it was possible that the spenddown would be met. A new six-month period of eligibility for the petitioner began on January 1, 1994.

The petitioner's appeal in this case was based on the difficulty she and her husband had in paying any medical bills considering their low income. Initially, she did not understand how the spenddown figure was calculated, and how she could meet it. However, it is clear from the evidence that the Department correctly calculated the petitioner's income for this period and that the petitioner's caseworker did all she could to make sure that every medical expense the petitioner incurred during this period was credited toward her spenddown.⁽³⁾ Other than a continuing (and understandable) complaint that their income is insufficient to meet their needs, and that the eligibility threshold for medicaid is too low, the petitioner and her husband take no issue with the accuracy of the Department's calculations.

ORDER

The Department's decision is affirmed.

REASONS

The Department's actions in this matter are fully in accord with the regulations regarding the determination of income and the computation of a household's "applied income", or "spenddown". See Medicaid Manual §§ M 400 et seq. Unfortunately, the petitioner and her husband, at least for the period in question, exceeded the program's income limitations by an amount that was roughly equal to their medical expenses. If, beginning January 1, 1994, their income decreases, or their medical expenses increase, they should promptly notify the Department.

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1. The petitioner has earnings from part-time employment. Her husband receives monthly Social Security payments.
2. The petitioner failed to appear at an earlier hearing, and it had to be rescheduled.
3. The worker in this case should be commended for her patience and cooperation in trying to help the petitioners understand the regulations and document their medical expenses.