

## STATE OF VERMONT

## HUMAN SERVICES BOARD

In re ) Fair Hearing No. 13,822

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Appeal of )

)

INTRODUCTION

The petitioner appeals the decision by the Department of Social Welfare closing her medicaid. The issue is whether the petitioner's income is in excess of the program maximums.

FINDINGS OF FACT

The facts are not in dispute. Prior to August 1, 1995, the petitioner received medicaid and was also eligible for the QMB program, under which the Department of Social Welfare paid the petitioner's Medicare premium directly to the Social Security Administration. At the time the petitioner had become eligible for medicaid and QMB, her income consisted solely of Social Security Benefits of \$699 a month.

Recently, the petitioner began working part time at a supermarket. When the Department reviewed her eligibility for medicaid in July, 1995, the petitioner was making \$325.72 a month in addition to her Social Security. The Department determined that this placed the petitioner over-income for both medicaid and QMB.

At the hearing in this matter, held on September 6, 1995, the Department and the hearing officer explained to the petitioner that based on her current income she would become eligible for medicaid as soon as she incurred (not spent) medical expenses of \$458.15 in the six month period commencing August 1, 1995. It was also explained that if the petitioner stopped working or reduced her hours, she should promptly report this to the Department so that her eligibility would be redetermined accordingly. Finally, it was also explained that when and if the Social Security Administration began deducting a medicare premium from her monthly Social Security check, she should report this to the Department, as this would count as a medical expense applicable toward her "applied income" for medicaid. However, it was also explained that neither the Department nor the Board has any control over when and whether the Social Security Administration charges her this premium.

ORDER

The decision of the Department is affirmed.

### REASONS

Under the Medicaid regulations at M242(1), Social Security income and employment earnings must be included in determining eligibility for Medicaid benefits. Certain deductions, primarily for child support or work expenses, are allowed in order to obtain a net countable income figure, including a \$20 blanket disregard from unearned income for aged, blind or disabled persons. M243.1(2). No deductions are allowed for household expenses.

In this case, the Department followed the applicable regulations to calculate the petitioner's countable income. P2420-B. However, under M402, "a person who passes all eligibility tests, except that his or her Medicaid group's monthly income is more than any other income tests for which he/she may be eligible, may qualify..." if "his or her Medicaid group has paid or incurred medical expenses. . .at least equal to the difference between its countable income and its Protected Income Level." A six month accounting period is employed to make this determination. M414. Inasmuch as the methodology employed by the Department in determining the petitioner's eligibility was consistent with the regulations and procedures, the Department's decision in this matter must be upheld. 3 V.S.A. § 3091d and Fair Hearing Rule No. 19.

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