

STATE OF VERMONT

HUMAN SERVICES BOARD

In re) Fair Hearing No. 13,980

)

Appeal of)

)

INTRODUCTION

The petitioner appeals the decision by the Department of Social Welfare terminating her medicaid benefits until she incurs \$637.74 in medical expenses in the six month period beginning November 1, 1995. The issue is whether the Department's decision is in accord with the pertinent regulations.

FINDINGS OF FACT

The petitioner lives with her two minor children. One child receives medicaid as a recipient of SSI. The other child is eligible for medicaid under the Dr. Dinosaur program. The petitioner does not dispute the Department's determination that she has gross income from employment of \$985.58 a month. Based on the petitioner's income the Department determined that for the six month period commencing November 1, 1995, the petitioner had a "spenddown" amount of \$637.74 that she would have to incur in medical bills before she became eligible for medicaid. The Department arrived at this figure by considering the petitioner to be 1/2 of a medicaid household of two persons (her and the daughter who is not on SSI), thereby dividing her monthly income by 1/2 and comparing it to 1/2 the protected income level of a two person household.⁽¹⁾

ORDER

The Department's decision is affirmed.

REASONS

The regulations provide for medicaid eligibility for persons who have excess income in the following circumstances:

A person who passes all eligibility tests, except that his or her Medicaid group's monthly income is more than any of the income tests for which he/she may be eligible (see P-2420 B⁽²⁾) may qualify for

Medicaid coverage. To do so, he or she must show that 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. This difference is called the "spend-down" requirement. Note that a person who does not pass any of the other applicable income tests must spend down to the Protected Income level and is not permitted to spenddown to any of the higher income tests.

Medicaid Manual § M402.

In this case the record is clear that the Department correctly calculated the petitioner's income and deductions and correctly applied the above regulation to the petitioner's situation. Therefore, the Board is bound by law to affirm the Department's decision. 3 V.S.A. § 3091(d) and Fair Hearing Rule No. 17.

#

1. This method of calculation appears to maximize the entire household's eligibility for medicaid.
2. The "Protected Income Level" for a two-person family is \$691.00 a month.