

STATE OF VERMONT

HUMAN SERVICES BOARD

In re ) Fair Hearing No. 17,689  
 )  
Appeal of )

INTRODUCTION

The petitioner appeals a decision of the Department of Prevention, Assistance, Transition, and Health Access (PATH) terminating his VHAP benefits due to excess income.

FINDINGS OF FACT

1. The petitioner, who is a younger single man, was found eligible for VHAP benefits in August of 2001 based on a lack of income at that time. In November of 2001, the petitioner started to receive unemployment benefits in the gross amount of \$1,341.60 per month (\$312 per week). His net after taxes benefit is \$1,178.20 per month (\$274 per week).

2. When the Department of PATH was informed of the income increase, it reviewed the petitioner's eligibility. He was notified in March of 2002 that his VHAP benefits would cease at the end of the month because of excess income. The petitioner appealed that decision and has received continuing benefits.

3. The petitioner has applied for Medicaid but was turned down because he was found to be not disabled. He has a pending Social Security benefits application but no determination of disability has yet been made. He has medication bills of about \$391 per month which were partially covered (50 percent) through VHAP. His medications are for psychoactive drugs that have helped him deal with suicidal and homicidal tendencies, according to his testimony.

4. The petitioner has housing expenses of about \$640 per month. The petitioner maintains that he cannot pay these expenses, his food costs and his other expenses and cover his prescription bills, as well. He asks that only his net income be counted in determining his eligibility.

ORDER

The decision of the Department is affirmed.

REASONS

The Vermont Health Access Plan regulations include gross unemployment benefits as "countable unearned income" in determining eligibility for the program. Medicaid Manual (MM)

4001.81(b). No deductions are allowed from this unearned income for taxes, household expenses or medical bills.<sup>1</sup>

The regulations provide a maximum income amount above which eligibility must be denied. MM 4001.84. For a one-person household, that maximum is \$1,114 per month.

Procedures Manual (P) 2420(B)(1). The same deductions and maximums exist in the VHAP Pharmacy program. MM 3301.74 and P 2420(B)(1). The Vscript program has a higher maximum income (\$1,671 per month) but requires that the applicant be either elderly or disabled. MM 3201.41 and 42.

The petitioner's current income, even his net income, falls above the program maximums for VHAP and VHAP Pharmacy. He cannot, therefore, receive any benefits under those programs. Unless and until he is determined to be disabled by the Medicaid unit or the Social Security Administration, he cannot receive Vscript benefits either. PATH was correct when it determined that he is ineligible for these programs and that correct determination must be upheld by the Board. 3 V.S.A. § 3091(d) and Fair Hearing Rule No. 17.

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<sup>1</sup> The only deductions available from income are for business expenses in self-employment, a standard deduction for employment expenses and dependent care expenses. MM 4001.81(d)(e) and (f). None of these are applicable to this case.

The petitioner should be aware that PATH has a General Assistance program for persons who are suffering a medical catastrophe and that he may apply for that program if he is unable to purchase necessary medications. Also, the petitioner should understand that if his unemployment benefits go down or cease, he should reapply immediately for VHAP benefits.

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