STATE OF VERMONT

HUMAN SERVICES BOARD

In re	)	Fair Hearing No. 18,748
	)	
Appeal of	)	
	)	

INTRODUCTION

The petitioner appeals a decision by the Department of Prevention, Assistance, Transition, and Health Access (PATH) increasing the fees for her child's insurance under the Dr. Dynasaur program.

FINDINGS OF FACT

1. The petitioner has a child in the Dr. Dynasaur program. In June of last year, PATH, anticipating increases in program fees based on new legislation, sent the petitioner information advising her that her fee for the Dr. Dynasaur program would be “increased” from $150 quarterly to $210 quarterly beginning July 1, 2003. She was advised that the first bill for this amount would be sent in October and would cover the months of July through September of 2003 retroactively. She was also informed that the fee billing system would be changed to prospective monthly bills beginning in January and that the fees would now be called “premiums.”

She was told to expect to receive a monthly bill in December for the January period.

2. A second notice sent shortly thereafter informed her that she would receive a bill in October covering her September and October program fees. She was reminded that the fees were scheduled to increase and that as a result she would be paying almost as much every two months as she used to pay for three months. She was told that she would receive another bill in November that would cover her November and December 2003 fees and that she would receive further information about the billing system in November. She was given a number to call if she had any questions.

3. The petitioner, confused by the contradictions in these two notices, had her husband call the Health Access Eligibility Unit to ask for clarification. He spoke with a worker on November 6, 2003. Before the phone conversation, the petitioner had not realized that the “increase” was a permanent monthly increase in the amount she must pay and not just a figure derived from a new billing cycle. After the conversation, she understood that her Dr. Dynasaur premiums were to increase from $50 to $70 per month and that she would be paying the premium in advance every two months in the

amount of $140. The petitioner asked for a fair hearing to protest the confusing process and the increase.

4. The petitioner lives in a three-person household whose monthly income is $3,444.90. She works full-time and her husband is disabled. The petitioner's husband has Medicare for which he pays $50 per month. The petitioner has private health insurance for herself and her husband which costs $210 per month. Her son has no other insurance except Dr. Dynasaur. The petitioner says that adding her son to her health insurance would cost close to $100 per month. While the Dr. Dynasaur premium is still less than adding her son to her insurance, she finds the increase oppressive, particularly when added to the other premiums she must pay.

5. While it will be difficult for her to pay the increased $20, she understands why the increase occurred and does not argue that PATH has acted illegally. She does feel that PATH's communications about the increase and billing were confusing and diluted the most important message which was that the monthly premium would increase by forty percent.

ORDER

The decision of PATH is affirmed.

REASONS

Emergency regulations adopted by PATH pursuant to a legislative directive (Act 66 2003) to implement cost-saving measures in the medical programs include an increase in the program fees for Dr. Dynasaur recipients. M302.26. Families with a household income between 225 percent and 300 percent of the federal poverty level and whose children have no other insurance must now pay a monthly premium of $70. M302.26. For a family of three, 225 percent of the federal poverty level is $3,180 per month and 300 percent is $3,815. P2420B2. The petitioner's household income of $3,444.90 per month is between these two amounts and her child has no other insurance. As such, PATH was correct under the above regulation in assessing a $70 per month premium for the child's Dr. Dynasaur coverage. As PATH's decision is correct, the Board must uphold its decision. 3 V.S.A. § 3091(d), Fair Hearing Rule 17.

There is no doubt that the notices sent to the petitioner were confusing and contradictory and tended to bury the crucial fact that premiums were being raised amid a lot of information about billing cycles. The second notice did not fully explain that PATH had determined, contrary to its first notice, to implement a two month billing cycle instead of a

one month one. The petitioner was able, however, to obtain clarification of the situation by calling PATH in early November. The only damage the petitioner herself appears to have suffered from the confusing notices is some initial frustration, as she fully understood the situation in time to pay the correct amounts in a timely fashion and did not suffer a diminution in health services. However, the petitioner's point that recipients deserve to get notices that they can understand is well taken and she was advised to contact the Commissioner with her complaints and suggestions regarding the notice process.

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