



that fact to DCF the day before it happened. The petitioner did not expect to be re-employed until January 18, 2005.

4. The petitioner called DCF and asked to have the bill due on January 15, 2005 reversed based on her new income. She was told that the bill had already been generated based on her income during the month before and could not be changed and that she should pay it. She was advised that the bill sent out on January 6, 2005 and which would be due on February 15 would reflect her reported change in income.

5. The bill sent to the petitioner on January 6, 2005 still charged a premium of \$70 per month. However, after the petitioner complained, DCF did correct that bill on January 11, 2005 to show that nothing was owed for the month of February based on the lack of income reported by the petitioner in December.

6. The petitioner has not paid the bill due on January 15 and has not had any action taken closing her Dr. Dynasaur benefits pending appeal.

ORDER

The decision of DCF is affirmed and the matter is remanded to allow the petitioner to pay the January 15 bill

and for DCF to make adjustments to subsequent bills as set forth in the decision below.

REASONS

The regulations adopted by DCF require that premiums be paid in the Dr. Dynasaur program as follows:

Premiums as specified in M150-150.2 are required for the following individuals within this coverage group. Individuals requesting Dr. Dynasaur with income above 185 percent of the FPL but no more than 225 percent are required to pay a monthly premium of \$25 per household before coverage will begin or continue. Those with incomes above 225 percent but no more than 300 percent of the FPL must pay a \$35 monthly premium if the family has other insurance that includes hospital and physician coverage and a \$70 monthly premium if the family has no insurance besides Dr. Dynasaur.

M302.26

As of January 1, 2005, 185 percent of the FPL for a family of two is \$1,971 per month and 225 percent of the FPL is \$2,397. P2420(B)(3). The petitioner does not dispute that her program fee is correctly set at \$70 during those months in which she has income. She does not believe that she should be billed for those two months, December of 2004 and January of 2005 in which she earns less than \$1,971<sup>1</sup>, the amount below which no fee is required.

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<sup>1</sup> Although the petitioner's income consists of both child support and earnings, a rough estimate of the number of days worked in December about

The regulations governing billing in the Dr. Dynasaur program provide that bills are automatically sent out "at least 25 days before the last day of the month which is the date that coverage will end if the department does not receive the payment." M150.1 (B). There is nothing in the regulations regarding correcting bills if income changes after the bills are sent out. Rather the regulations state that "in the event of an overpayment, the department will retain and reflect it as a credit on the next premium bill." M150.1.

Applying those regulations to this case, the following should have occurred. The petitioner's prior reported income of \$2,457.45 generated a bill on December 4 which was for her January coverage. When DCF became aware that the petitioner's income went down, it should have notified the system to give the petitioner a credit for the \$70 on the next bill generated. The petitioner would still be required to pay the current bill due on January 15. The next premium bill went out on January 4, 2005 covering the month of February. At that time the system should have been aware that the petitioner had income under \$1,971 per month so her

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$\frac{1}{4}$  of the month) and January (less than  $\frac{1}{2}$  the month) would not amount to income in excess of \$1,971. DCF does not argue otherwise.

next bill should have reflected no premium due on February 15 and should have also notified her that she had a \$70 credit for paying the bill on January 15. Since the petitioner has reported that her income will go back to \$2,457.45 per month as of February 1, the bill sent out on February 4 should be for \$70 but the \$70 credit she is carrying should be applied to that bill so she owes nothing. In this way, the petitioner is relieved from paying the premium for two months although due to the time lag between generating the bills and reporting the income, those two months are January and February and not December and January as she would have liked.

In reality, the system did not catch the decreased income and the petitioner was sent a bill on January 4, 2005 for the month of February. DCF caught this error and notified her subsequently that she owed no premium for February. DCR could not notify the petitioner that she had a \$70 credit for the January payment because she had not paid the January payment pending this appeal. If the petitioner had not filed this appeal, her benefits would have terminated at the end of January for failure to pay the bill. The petitioner should be required to pay the bill as generated for January and DCR can then apply the payment as a credit to

her next premium payment which will come out around February 4. (If the parties wish to resolve this by calling it a wash, they are free to do so.) The petitioner should be aware in the future, however, that she should pay any bill generated before she reported her income change and ask for a credit toward her next month's bill when she submits the premium. Her failure to do so could cause her benefits to end for non-payment under DCF's system.

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