STATE OF VERMONT

HUMAN SERVICES BOARD

In re	) Fair Hearing No. S-10/14-1044
	)
Appeal of	)

INTRODUCTION

The petitioner appeals a decision by the Department for Children and Families (DCF) denying her request for retroactive Medicaid to pay uncovered medical bills.

FINDINGS OF FACT

1. The petitioner is part of a four person household. She and her husband were found eligible for Medicaid health coverage in May of 2014, following the petitioner's job loss. They have continued to be eligible for that program. One of the petitioner's children is also on Medicaid under a Katie Beckett waiver and the other receives benefits through Dr. Dynasaur (the Children's Health Insurance Program).

2. From January 2014 until May 5, 2014, the petitioner was working three-quarters time in a community health and rehabilitation program. She had insurance through her employer but the insurance had high co-pays and deductibles.

3. The petitioner and her husband had family income of $2,909.20 per month while she was working. Her husband had unemployment benefits of $1,037.20 per month and she had earned income of $1,872 per month. This income ceased on May 5, 2014.

4. In April of 2014, the petitioner was hospitalized. Her insurance did not cover $3,000 of the costs. The petitioner began to receive bills for the balance after she had lost her job and was on Medicaid.

5. The petitioner has no money to pay these bills and they have been sent to collection. In August of 2014, the petitioner asked Medicaid to pay the bills as she had no way to handle them.

6. On September 29, 2014, DCF denied the petitioner's request for coverage. She appealed that decision on October 2, 2014.

ORDER

The decision of DCF denying retroactive coverage for Medicaid for the month of April 2014 is affirmed.

REASONS

Medicaid enrollment can be retroactive under the following conditions:

> (1) Retroactive eligibility is effective no earlier than the first day of the third month before the month an individual's application is received by AHS if the following conditions are met:
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> (i) Eligibility is determined and a budget computed separately for each of the three months.
>
> (ii) A medical need exists; and
>
> (iii) Elements of eligibility were met at some time during each month.
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> . . .
>
> HBEE § 70.01(b)

There is no question in this case that the petitioner's request concerns a month, April 2014, that was within three months prior to her date of her Medicaid application in May of 2014. There is also no question that she has "medical need" (ii) due to unpaid hospital bills incurred in April of 2014 and that she meets "elements of eligibility"[1] (iii). The sole remaining issue is whether the petitioner's "budget"(i), or financial eligibility, for the month of April 2014 is within program standards.

Financial eligibility for an individual is determined by using the MAGI-based income (Modified Adjusted Gross Income)

[1] This provision refers to Medicaid non-financial eligibility criteria such as citizenship, Vermont residency, age group, disability, and the like. See HBEE § 6.00.

for all members of the household.[2] HBBE § 28.03 (c)(1). The undisputed evidence indicates that the household's income in April of 2014, consisted of the petitioner's earnings of $1,872 and her husband's unemployment benefits of $1,037.20, totaling $2,909.20. The petitioner's adjusted gross income is the same as her gross income because she reported no further deductions.

The maximum income limit for adults under age 65 is set by regulation as 133 percent of the Federal Poverty Level for the household's family size. HBEE 7.03(a)(5)(i)(E). As of January 1, 2014, the regulations also provide that when calculating the income to be used, "an amount equal to 5 percentage points of the FPL for the applicable family size is deducted from the household's income." HBEE § 28.03(c)(4). For a household of four, 133 percent of income is equal to $2,644 per month. ESD Procedures Manual (P) 2420B(1). Five percentage points of the FPL (100 percent) of $1,988 (P-2420B(1)) for a family of four is $99.40. The petitioner's monthly income of $2,909.20 is thus reduced by another $99.40 for a countable total income of $2,809.80.

[2] MAGI based income is determined by taking the "Adjusted Gross Income" found on Line 37 of IRS from 1040 and adding back in non-taxable social security benefits, tax exempt interest, and foreign earned income and housing expenses for Americans living Abroad (Form 2555).

That amount is compared to the maximum of $2,644 per month to determine eligibility. DCF is correct that the petitioner's household income in April of 2014 was in excess of financial standards for Medicaid. P-2420B(1).

Because she was not financially eligible for Medicaid in the month of April 2013, under the statute cited above the petitioner cannot get retroactive coverage for that month. As DCF's decision is in accord with its regulations, the Board is bound to uphold the decision. 3 V.S.A. 3091(d), Fair Hearing Rule 100.4D.

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