STATE OF RHODE ISLAND
EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES
APPEALS OFFICE

[redacted]

V. DOCKET No. 24-2352

Department of Human Services

DECISION

I. INTRODUCTION

A telephonic hearing on the above-entitled matter came before an Appeals Officer on May 29, 2024, at 10:00 AM. The Appellant, [redacted] (hereinafter "Appellant"), initiated this matter to appeal the Modified Adjusted Gross Income (MAGI) Medicaid Coverage ("MA-MAGI") case closure made by the Department of Human Services (hereinafter "DHS"). The Appellant's position is that she does not dispute that her income exceeds the income standard for MA-MAGI, but she believes that her youngest child, [redacted] (hereinafter "[redacted]"), should still be eligible for MA-MAGI. The Appellant also raised the issue that the Benefit Decision Notices sent to her did not clearly explain that her household's MA-MAGI case was closing and that they would need to enroll in a Private Health Insurance plan to continue to receive health insurance coverage for herself and her family. DHS' and HealthSource RI's positions are that they correctly determined the Appellant's household's Medicaid eligibility and that the Benefit Decision Notices sent to the Appellant clearly stated that her household's MA-MAGI eligibility was ending and that they would need to enroll in a Private Health Insurance plan and make a payment for that plan by May 6, 2024, to be enrolled in a health insurance plan through HealthSource RI. For the reasons discussed in more detail below, the Appellant's appeal is denied.

II. JURISDICTION

The Executive Office of Health and Human Services (hereinafter "EOHHS") is authorized and designated hy R.I.G.L. § 42-7.2-6.1 and EOHHS regulation 210-RICR-10-05-2 to be the entity responsible for appeals and hearings related to DHS and EOHHS programs. The Administrative Hearing was held in accordance with the Administrative Procedures Act, R.I.G.L. § 42-35.1 et seq., and EOHHS regulation 210-RICR-10-05-2.

III. ISSUE

Did DHS and HealthSource RI correctly determine the Appellant's household's Medicaid eligibility in accordance with Federal and State regulations and did DHS and HealthSource RI properly notify the Appellant's household of their Medicaid eligibility?

IV. STANDARD OF PROOF

It is well settled that in formal or informal adjudications modeled on the Federal Administrative Procedures Act, unless otherwise specified, a preponderance of the evidence is generally required to prevail. See (2 Richard J. Pierce, Administrative Law Treaties §10.7 (2002) & *Lyons v. Rhode Island Pub. Employees Council 94*, 559 A.2d 1130, 134 (R.I. 1989) (preponderance standard is the "normal" standard in civil cases). This means that for each element to be proven, the factfinder must believe that the facts asserted by the proponent are more probably true than false. When there is no direct evidence on a particular issue, a fair preponderance of the evidence may be supported by circumstantial evidence. See (*Narragansett Electric Co. vs. Carbone*, 898 A.2d 87 (R.I. 2006)).

V. PARTIES AND EXHIBITS

Present for DHS was:

- Eligibility Technician, Jeremy Ulbin.

Present for HealthSource RI was:

- Appeals Specialist, Tristan Blount.

- General Counsel, Ben Gagliardi, Esq.

Jeremy Ulbin, Tristan Blount, and Ben Galgliardi provided testimony regarding the Appellant's case. Tristan Blount provided the following exhibits as evidence:

Exhibit #1 – Recertification/Renewal Notice, Date: January 1, 2024.

Exhibit #2 – Additional Documentation Required, Date: January 1, 2024.

Exhibit #3 – Benefit Decision Notice, Date: Marcb 6, 2024.

Exhibit #4 – Additional Documentation Required, Date: March 6, 2024.

Exhibit #5 – Benefit Decision Notice, Date: March 19, 2024.

Exhibit #6 – Additional Documentation Required, Date: Marcb 19, 2024.

Exhibit #7 – Benefit Decision Notice, Date: April 4, 2024.

Exhibit #8 – Additional Documentation Required, Date: April 4, 2024.

The Appellant was present and testified on her own behalf. The Appellant did not present any exhibits as evidence.

VI. RELEVANT LAW/REGULATIONS

The ACA of 2019 increased access to health coverage by leveraging resources, expanding choice, and removing barriers. The ACA created several Medicaid Affordable Care Coverage ("MACC") groups which are comprised of several pathways to Medicaid eligibility. The principal factors for determining MAGI based eligibility are tax filing status, household size and composition. The applicant's MAGI must meet applicable standards when converted to the Federal Poverty Level ("FPL"). Parent/caretaker eligibility is a function of how the eligible child is claimed for tax purposes as a dependent when constructing a MAGI household. This coverage group also includes children and young adults. Age is the defining characteristic of this MACC group. This coverage group includes infants under age one (1) up to age nineteen (19) who have family income up to two hundred sixty-one percent (261%) of the FPL. See (210-RICR-30-00-1.5 et seq.).

To be eligible for Medicaid using the MAGI standards, Parents and Caretakers current monthly household income must meet the standard of One hundred thirty-six percent (136%) of the FPL. See (210-RCIR-30-00-5.5(A)).

An individual's household income is the sum of the MAGI-based income of every individual included in the individual's household who is expected to be required to file a tax return. See (210-RICR-30-00-5.5(B)(2).

To calculate an applicant's income, the following factors must be considered: a) the members of the applicant's household that must be included – which are every individual in the applicant's household that are required to file a tax return; b) the household's current monthly income – AGI for all required household members; c) types of countable income – AGI which is gross income adjusted by "above-the-line" deductions[1]; all Social Security income benefits that are considered both taxable and non-taxable income for federal tax purposes; interest income; foreign earned income; and taxable lump sum payments (gifts, prizes, income and property tax refunds); d) Reasonable predicted changes if there is a basis for anticipating the changes[2]; e) conversion of monthly income to the FPL standards – the State must compare a household's current monthly income to the FPL guidelines for the appropriate household size. The most recently published FPL levels in effect in the month during which eligibility is being determined, must be used. See (210-RICR-30-00-5.5(B)) and (RI DHS 2024 Monthly Poverty Guidelines for Medicaid and All DHS Programs (except SNAP) (All States except AK and HI)).

Subject to paragraphs (a)(3) through (5) of this section, as applicable, the Exchange must allow a qualified individual or enrollee, and, when specified below, his or her dependent, to enroll in a Qualified Health Plan if the qualified individual or his or her dependent loses minimum essential coverage

[1] "Above-the-line" deductions are the adjustments people can make to their gross income. These include alimony payments, interest on student loans, and other items that appear on page one (1) of Form 1040. These do not include charitable contributions, mortgage interest, and other "below-the-line: deductions.
[2] Reasonable changes include signed contract for employment, a clear history of predictable fluctuations in income, or other indications of future changes in income may be considered in determining eligibility.

("MEC"). The date of the loss of coverage is the last day the consumer would have coverage under his or her previous plan or coverage. See (45 C.F.R. §155.420(d)(1)(i)).

VII. FINDINGS OF FACT

1. The Appellant's household previously enrolled in Medicaid on January 1, 2022. The household's monthly income was listed as $1755.39 or 75.91% of the FPL at the time.
2. The Appellant was sent the Recertification/Renewal Notice, Date: January 1, 2024. The form notified the Appellant that she must return the form to DHS within thirty (30) days from January 1, 2024, to prevent a break in Medicaid benefits.
3. The Appellant was sent the Additional Documentation Required, Date: January 1, 2024, requesting employment or self-employment income verification for herself and her son [redacted]
4. A DHS representative reviewed the Recertification/Renewal Notice, Date: January 1, 2024, submitted to DHS by the Appellant on March 6, 2024, and determined that the Appellant's monthly income increased from $1755.39 to $11,177.62 or 447% of the FPL.
5. The Benefit Decision Notice, Date: March 6, 2024, was then sent to the Appellant stating that the Appellant's household no longer qualified for Medicaid because the household's income exceeded the eligibility limit. The Benefit Decision Notice, Date: March 6, 2024, stated that the Appellant's household's MA-MAGI was ending as of April 1, 2024, and that the household members were approved for Private Health Insurance and provisionally approved for Advanced Premium Tax Credits.
6. The Appellant was sent the Additional Documentation Required, Date: March 6, 2024, stating that proof of income was needed for her son Nikolas.
7. DHS again reviewed the Appellant's household's Medicaid recertification and confirmed that the household was still over the income guidelines for Medicaid. The Appellant was sent Benefit Decision Notice, Date: March 19, 2024, stating that the household members were approved for Private Health Insurance and provisionally approved for Advanced Premium Tax Credits. The

notice also stated that all household members were denied eligibility for Cost Sharing Reduction due to the household income being greater than the requirements for the program.

8. The Appellant was sent the Additional Documentation Required, Date: March 19, 2024, requesting proof of income for the Appellant and her son [redacted]
9. On April 4, 2024, The Appellant updated information for her Medicaid case and resubmitted an application for Medicaid to DHS by using the DHS Customer Portal. DHS reviewed the Appellant's household's eligibility for Medicaid and confirmed that the household's income was still above the income guidelines for Medicaid. DHS determined that the household's monthly income decreased from $11,177.62 to $7,125.00 and that the household's monthly income was now 433% of the FPL. The Appellant was sent the Benefit Decision Notice, Date: April 4, 2024, which showed that the household was approved for Private Health Insurance and provisionally approved for Advanced Premium Tax Credits from April 1, 2024, to April 30, 2024. The notice also showed that the household's eligibility for Private Health Insurance and Advanced Premium Tax Credits was closed as of May 1, 2024, ongoing, because the household members transitioned to a different program due to being granted aid pending due to the appeal filed for this matter. The Benefit Decision Notice, Date: April 4, 2024, also showed that her two sons [redacted] and [redacted] were removed from the Appellant's household.
10. The Appellant's household was given a special enrollment period due to the loss of Medicaid and were permitted to obtain coverage between April 4, 2024, through June 5, 2024.
11. The Appellant does not dispute DHS' calculation of her income, nor that it exceeds the income limit for Medicaid.

VIII. DISCUSSION

To be eligible for Medicaid using the MAGI standards, children aged from infancy to age nineteen (19) must have family income up to two hundred sixty-one percent (261%) of the FPL. An individual's household income is the sum of the MAGI-based income of every individual included in the

individual's household who is expected to he required to file a tax return An Exchange must allow a qualified individual or enrollee, and, when specified below, his or her dependent, to enroll in a Qualified Health Plan if the qualified individual or his or her dependent loses minimum essential coverage ("MEC").

DHS' and HealthSource RI's positions are that they correctly determined the Appellant's household's Medicaid eligihility based on the calculation of the family's income. HealthSource RI further asserts that it correctly offered the Appellant's household a special enrollment period due to the loss of Medicaid so that the household could ohtain Private Health Insurance coverage between April 4, 2024, through June 5, 2024. Both DHS and HealthSource RI assert that the three Benefit Decision Notices sent to the Appellant's household properly notified them of their Medicaid eligibility.

The Appellant did not dispute DHS' calculation of her income, nor that it exceeded the income limit for Medicaid. The Appellant did assert that her youngest son, [redacted] should be eligible for some Medicaid assistance. The Appellant provided no evidence or testimony to clarify what Medicaid assistance [redacted] should be qualified for. [redacted] is not qualified for any other forms of Medicaid because the Appellant's income makes [redacted] ineligible. A review of the Benefit Decision Notices sent to the Appellant's household show that [redacted] is not eligihle for either MA-MAGI or Cost Sharing Reduction forms of Medicaid because the family's income exceeds the eligibility limits for the two programs. Therefore, there is a preponderance of evidence to show that DHS correctly determined the Appellant's household's eligibility for Medicaid and that HealthSource RI correctly offered the Appellant's household members a special enrollment period due to the loss of Medicaid so that they could obtain Private Health Insurance coverage between April 4, 2024, through June 5, 2024.

The Appellant also asserts that the Benefit Decision Notices that were sent to her did not clearly articulate when the Appellant's household would be losing health insurance coverage. Per 45 C.F.R. §155.420(d)(1)(i), the date of the loss of coverage is the last day the consumer would have coverage under his or her previous plan or coverage. The Benefit Decision Notice, Date: March 6, 2024, clearly

shows that the Appellant's household was no longer eligible for MA-MAGI as of April 1, 2024, due to the family income exceeding the eligibility limit. The Benefit Decision Notice, Date: March 6, 2024, and the two subsequent Benefit Decision Notices mailed to the Appellant's household, stated that the Appellant's household was approved for Private Health Insurance and on page 5, the notices stated that the household members would need to select and pay for a plan before June 5, 2024, to enroll in health coverage through HealthSource RI. Instructions on how to enroll in a health coverage plan were also shown on page 5 of the three Benefit Decision Notices mailed to the Appellant's household. The Appellant testified that the Benefit Decision Notices were misleading because it did not specifically say that the Appellant's household's health insurance coverage plan was ending. A review of the Benefit Decision Notices states that the household members are not approved for Medicaid due to the family's income exceeding the eligibility limits for Medicaid. The Benefit Decision Notices do say that the household members are approved for Private Health Insurance as of April 1, 2024. Being approved for Private Health Insurance implies that it is not a public benefit and that one will have to pay to obtain health insurance coverage. Therefore, there is a preponderance of evidence to show that DHS properly notified the Appellant's household of their Medicaid eligibility.

IX. CONCLUSION OF LAW

After careful review of the testimony and evidence present at the administrative hearing, this Appeals Officer concludes that:

1. There is a preponderance of evidence to show that DHS correctly determined the Appellant's household's eligibility for Medicaid and that HealthSource RI correctly offered the household members a special enrollment period due to the loss of Medicaid so that he could obtain Private Health Insurance coverage between April 4, 2024, through June 5, 2024.
2. There is a preponderance of evidence to show that DHS properly notified the Appellant's household of their Medicaid eligibility.

X. DECISION

Based on the foregoing findings of fact, conclusions of law, evidence, and testimony it is found that a final order be entered that there is sufficient evidence to support DHS' and HealthSource RI's determination of the Appellant's household's Medicaid eligibility, that HealthSource RI correctly offered the household members a special enrollment period due to the loss of Medicaid so that they could obtain Private Health Insurance coverage between April 4, 2024, through June 5, 2024, and that DHS properly notified the Appellant's household of their Medicaid eligibility.

APPEAL DENIED

/s/ Jack Peloquin

Jack Peloquin

Appeals Officer

NOTICE OF APPELLATE RIGHTS

This final order constitutes a final order of the Department of Human Services pursuant to RI General Laws §42-35-12. Pursuant to RI General Laws §42-35-15, a final order may be appealed to the Superior Court sitting in and for the County of Providence within thirty (30) days of the mailing date of this decision. Such an appeal, if taken, must be completed by filing a petition for review in Superior Court. The filing of the complaint does not itself stay enforcement of this order. The agency may grant, or the reviewing court may order, a stay upon the appropriate terms.

CERTIFICATION

I hereby certify that I mailed, via regular mail, postage prepaid, a true copy of the foregoing to [redacted]; copies were sent, via email, to [redacted], and to Jeremy Ulhin, Ben Gagliardi, Esq., Lindsay Lang, the DHS Appeals Unit at DHS.Appeals@dhs.ri.gov, and the DHS Policy Office at dhs.policyquestions@dhs.ri.gov on this 2nd day of July, 2024.