

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

████████████████████

V.

DOCKET No. 24-3967

HealthSource Rhode Island

DECISION

I. INTRODUCTION

A telephonic hearing on the above-entitled matter came before an Appeals Officer on July 30, 2024. The Appellant ██████████, initiated this matter to appeal the Qualified Health Plan (“QHP”) collections made by HealthSource Rhode Island (“HSRI”) for the months of April 2024, May 2024, and June 2024. The Appellant does not dispute the fact that she owes HSRI for the advanced premium tax credits that she received in those months because her income increased in 2024, and she reported this to HSRI in January 2024. The Appellant argues that she should not have to repay HSRI until she files her taxes in 2025. HSRI’s position is that the Appellant has an obligation to immediately repay HSRI for the advanced premium tax credits that she received but was not entitled to. She was notified that she was no longer qualified for advanced premium tax credits as of April 1, 2024, when she was sent a benefit decision notice (“BDN”) on March 9, 2024. The notice clearly showed that her monthly premium payment amount for 2024 would be \$375.67. For the reasons discussed in more detail below, the Appellant’s Appeal is denied.

II. JURISDICTION

The Executive Office of Health and Human Services (“EOHHS”) is authorized and designated by R.I.G.L. § 42-7.2-6.1, EOHHS regulation 210-RICR-10-05-2, and HSRI regulation 220-RICR-90-00-1.14 to be the entity responsible for appeals and hearings related to HSRI and the Health Exchange. 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 HSRI correctly determine the Appellant’s Medicaid eligibility and does the Appellant have an obligation to immediately repay HSRI for the advanced premium tax credits that she received, but was not entitled to in 2024, to continue her health insurance coverage?

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) & see *Lyons v. Rhode Island Pub. Employees Council* 94, 559 A.2d 130, 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 HSRI was General Counsel for HSRI, Ben Gagliardi, Esq. (hereinafter “Attorney Gagliardi”) who provided testimony regarding the Appellant’s case. Attorney Gagliardi offered the following exhibits as evidence:

Exhibit #1 – BDN, Date: March 9, 2024.

Exhibit #2 – APTC Manual Calculator.

Exhibit #3 – HSRI Invoice for Account # [REDACTED] Date: June 5, 2024.

Exhibit #4 – HSRI Intent to Terminate Coverage for Non-Payment, Date: July 5, 2024.

The Appellant was present and testified on her own behalf. She presented the following exhibits as evidence:

Exhibit #5 – HSRI Invoice for Account # [REDACTED] Date: February 5, 2024.

Exhibit #6 – HSRI Invoice for Account # [REDACTED] Date: March 5, 2024.

Exhibit #7 – HSRI Invoice for Account # [REDACTED] Date: April 3, 2024.

Exhibit #8 – HSRI Invoice for Account # [REDACTED] Date: May 3, 2024.

Exhibit #9 – HSRI Intent to Terminate Coverage for Non-Payment, Date: June 5, 2024.

Exhibit #10 – Screenshot of call history with Neighborhood Health Plan of Rhode Island.

Exhibit #11 – T-Mobile phone call records, Date Range: February 9, 2024, to March 8, 2024.

Exhibit #12 – T-Mobile phone call records, Date Range: January 9, 2024, to February 8, 2024.

Exhibit #13 – HSRI Invoice for Account # [REDACTED] Date: July 5, 2024.

Exhibit #14 – HSRI Intent to Terminate Coverage for Non-Payment, Date: July 5, 2024.

Exhibit #15 – Literature from www.healthinsurance.org.

Exhibit #16 – Literature from irs.gov.

VI. RELEVANT LAW/REGULATIONS

The Patient Protection and Affordable Care Act provides the legal authority for states to establish health insurance exchanges, which are designed to provide affordable health insurance to eligible

individuals and small business through QHPs. The rules and regulations pertaining to HSRI can be found in Title 220 – Department of Administration, Chapter 90 – Health Benefits Exchange Part 1 of the Rhode Island Code of Regulations.

The Exchange must redetermine the eligibility of an enrollee in a QHP through the Exchange during the benefit year if it receives and verifies new information reported by an enrollee. See (45 CFR § 155.330(a)).

Any person, who through error or mistake of himself or herself or another, receives medical care benefits to which he or she is not entitled or with respect to which he or she was ineligible, shall be required to reimburse the state for the benefits paid through error or mistake. See (R.I. General Laws § 40-8-10).

The Exchange shall establish a standard policy for the termination of coverage of enrollees due to non-payment of premiums. This policy for the termination of coverage must be applied uniformly to enrollees in similar circumstances. See (220-RICR-90-00-1.10(A)(2) et seq.).

VII. FINDINGS OF FACT

1. In January 2024, the Appellant updated her application with HSRI to reflect that her income increased but the application was not submitted.
2. Because the Appellant's daughter is currently on Medicaid, an automatic system update submitted the Appellant's application with HSRI on March 9, 2024. The updated application showed that the Appellant's income was now 314% of the federal poverty level ("FPL") and, therefore, HSRI determined that the Appellant exhausted the tax credits that she was eligible to receive in 2024 as of March 2024.
3. HSRI sent the Appellant the BDN, Date: March 9, 2024, which showed that she was no longer eligible to receive tax credits as of April 1, 2024, and that her monthly premium amount for 2024 would be \$375.67.

4. Due to billing errors, the Appellant continued to receive invoices that reflected tax credits for the months of April 2024, May 2024, and June 2024 even though she was no longer eligible to receive tax credits.
5. On July 5, 2024, the Appellant was sent an HSRI Intent to Terminate Coverage for Non-Payment notice, which stated that her coverage would be terminated as of April 30, 2024, if she did not pay \$1,404.36 (the total amount of the tax credits incorrectly reflected in the invoices) by July 31, 2024.
6. Attorney Gagliardi testified that the July 5, 2024, HSRI Intent to Terminate Coverage for Non-Payment notice is an invalid notice as the invoice should be corrected to reflect that the Appellant was eligible for tax credits in March 2024. Attorney Gagliardi further testified that because of this invalid notice, the Appellant would not be terminated from her health insurance coverage until a corrected intent to terminate coverage for non-payment notice is sent.
7. The Appellant does not dispute that she is no longer eligible for tax credits because her income increased.

VIII. DISCUSSION

HSRI must redetermine the eligibility of an enrollee in a QHP through the Exchange during the benefit year if it receives and verifies new information reported by an enrollee. Any person, who through error or mistake of himself or herself or another, receives medical care benefits to which he or she is not entitled or with respect to which he or she was ineligible, shall be required to reimburse the state for the benefits paid through error or mistake. The Exchange shall establish a standard policy for the termination of coverage of enrollees due to non-payment of premiums and this policy for the termination of coverage must be applied uniformly to enrollees in similar circumstances. HSRI's position is that it correctly redetermined the Appellant's eligibility for her QHP when her application was automatically updated on March 9, 2024. HSRI further argues that because the Appellant was sent a BDN on March 9, 2024, stating that she was no longer eligible to receive tax credits and that her monthly premium amount for 2024

would be \$375.67, the Appellant has an obligation to pay her past due balance with HSRI to prevent her coverage from being terminated.

The Appellant does not dispute that she is no longer eligible for tax credits as of April 2024. The Appellant's position is that because she notified HSRI that her income increased in January 2024, she should not have to pay for her increased monthly premiums until she files her taxes in 2025. The Appellant submitted Literature from www.healthinsurance.org and irs.gov as evidence to show that she should not have to repay HSRI for the tax credits that she received but was ineligible for until she files her taxes in 2025. The Literature from www.healthinsurance.org and irs.gov shows that tax credits can be repaid by tax refunds when an enrollee's actual income ends up being higher than their projected income. In this case, the Appellant's projected income makes her ineligible for tax credits, and, therefore, she has an obligation to repay HSRI for her past due balance to prevent her coverage from being terminated.

HSRI has a statutory obligation to redetermine the Appellant's eligibility because it received new information reported by the Appellant. Based on the redetermination of the Appellant's eligibility, she is no longer eligible to receive tax credits to help pay for her QHP as of April 1, 2024, and her monthly premium amount for 2024 should now be \$375.67. Due to an error in HSRI's billing system, tax credits continued to be applied to the Appellant's monthly premiums for April 2024, May 2024, and June 2024, and her monthly invoices from HSRI did not reflect her increased monthly premium until she received the HSRI Invoice for Account # [REDACTED] Date: June 5, 2024. HSRI testified that the HSRI Invoice for Account # [REDACTED] Date: June 5, 2024, is incorrect as it includes repayment for the tax credits that the Appellant received in March 2024, and that the Appellant would not be terminated from her health insurance coverage until a corrected intent to terminate coverage for non-payment notice is sent. The Appellant has an obligation to repay the State for medical care benefits that she received, but was not entitled to, regardless of who was responsible for the error. As stated above the Appellant is requesting to stay enrolled in her QHP despite not repaying HSRI for the tax credits that she received but was not entitled to until she files her taxes in 2025. To agree to the Appellant's request, HSRI would have to ignore the

Appellant's newly reported income as of March 2024, and HSRI does not have the statutory authority to do so. Furthermore, HSRI's policy for the termination of coverage must be applied uniformly to enrollees in similar circumstances and, therefore, HSRI is statutorily forbidden from making exemptions for certain enrollees like the Appellant. Because the Appellant's projected income makes her ineligible for tax credits as of April 2024 and because she was sent a BDN informing her this and that her monthly premiums for 2024 would be \$375.67, she has an obligation to pay HSRI for her past due balance to prevent her coverage from being terminated.

IX. CONCLUSION OF LAW

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

1. HSRI correctly redetermined the Appellant's eligibility for Medicaid on March 9, 2024, based on the Appellant's projected income.
2. HSRI sent the Appellant a BDN on March 9, 2024, showing that the Appellant was no longer eligible to receive tax credits as of April 2024 and that her monthly premium amount for 2024 would be \$375.67.
3. The Appellant has an obligation to reimburse the state for the benefits paid through error or mistake.
4. The Appellant must pay HSRI for her past due balance to prevent her coverage from being terminated.

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 HSRI's eligibility determination for Medicaid and HSRI's request for repayment for the tax credits that she received for April 2024, May 2024, and June 2024.

APPEAL DENIED

/s/ Jack Peloquin

Jack Peloquin

Appeals Officer

NOTICE OF APPELLATE RIGHTS

This hearing decision constitutes a final order pursuant to R.I.G.L. § 42-35-12. An appellant may seek judicial review to the extent it is available by law. 45 C.F.R. § 155.520 grants appellants who disagree with the decision of a State Exchange appeals entity, the ability to appeal to the U.S. Department of Health and Human Services (HHS) appeals entity within thirty (30) days of the mailing date of this decision. The act of filing an appeal with HHS does not prevent or delay the enforcement of this final order. You can file an appeal with HHS at <https://www.healthcare.gov/downloads/marketplace-appeal-request-form-a.pdf> or by calling 1.800.318.2596.

This final order constitutes a final order of the Department of Homan Services pursuant to R.I.G.L. § 42-35-12. Pursuant to R.I.G.L. § 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

██; copies were sent, via email, to

██, Ben Gagliardi, Esq., Mary Laurila, Vianchell Tiburcio, and

Lindsay Lang on this 19th day of AUGUST, 2024.

Laura Mitchell