STATE OF RHODE ISLAND
EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES (EOHHS)

[redacted] (Appellant) Docket 25-3428

v.

Department of Human Services (DHS)

DECISION

I. INTRODUCTION

The Appellant initiated this matter to the Executive Hearing Office ("EHO") on July 23, 2025, regarding a Benefits Decision Notice ("BDN") issued by DHS on June 13, 2025, that informed the Appellant that Health Coverage benefits were ending as of August 1, 2025. The Appellant sought to have DHS's decision overturned.

An Administrative hearing was conducted on the matter via Microsoft Teams on October 6, 2025, the Appellant declined the video option. For the reasons discussed in this decision, the Appellant's appeal is denied.

II. JURISDICTION

The Executive Office of Health and Human Services is designated by R.I. Gen. Laws § 42-7.2-6.1(2) to be the entity responsible for legal service functions, including appeals and hearings, law interpretation and related duties of itself and four agencies: one of which is DHS. Hearings are held in accordance with the Administrative Procedures Act (R.I. Gen. Laws § 42-35.1 et. seq.).

III. ISSUES

The issue is whether or not the termination of the Appellant's Health Coverage benefits were processed in accordance with regulations.

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. (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. (Id.). When there is no direct evidence on a particular issue, a fair preponderance of the evidence may be supported by circumstantial evidence. (Narragansett Electric Co. vs. Carbone, 898 A.2d 87 (R.I. 2006).

V. PARTIES AND EXHIBITS

DHS was represented by Eligibility Technician III Heidy Mena-Torres, who submitted the Appellant's paystubs received by DHS on June 16, 2025, which were marked as Exhibit 1, and the BDN sent by DHS was also submitted and marked as Exhibit 2.

The Appellant appeared and testified on their own behalf. The appeals request form submitted by the Appellant was marked as Appellant's Exhibit A, the Appellant's paystubs from 2024 were marked as Exhibit B and the Appellant's 2024 tax return as Exhibit C.

VI. RELEVANT LAW/REGULATIONS

The Federal Affordable Cares Act ("ACA") of 2010 increased access to health coverage by leveraging resources, expanding choice, and removing barriers. The ACA created several Medicaid Affordable Care Coverage groups which are comprised of several pathways to Medicaid eligibility. Eligibility based on Modified Adjusted Gross Income ("MAGI") is based on tax filing status, household size and composition. The applicants MAGI must meet applicable

standards when converted to the Federal Poverty Level ("FPL"). All applicants must provide a social security number, and eligibility is also dependent on characteristics such as age, residency, citizenship, immigration, and relationship status.

The ACA Expansion Adults group consists of citizens and qualified non-citizens with an income of 133% or up to 138% (with a 5% disregard) of the FPL who meet the age characteristic of 19 to 64 and are not otherwise eligible for, or enrolled in, Medicare or Medicaid under any other State plan or Section 1115 waiver coverage group. (210-RICR-30-00-1.6(4).

AGI is gross income adjusted by "above-the-line" deductions. AGI includes wages and salaries, unemployment benefits, alimony, taxable interest and capital gains. "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 of tax Form 1040. These do not include charitable contributions, mortgage interest and other "below-the-line" deductions. (210-RICR-30-00-5.6).

Per Medicaid rules, the use of current income and accounting for reasonably predicted changes the State must use a household's current monthly income and household size when evaluating eligibility. A prorated portion of reasonably predictable changes in income, if there is a basis for anticipating the changes, such as a 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. Future changes in income and household size must be verified. (210-RICR-30-00-5.6(B)(3)).

VII. FINDINGS OF FACTS

1. The Appellant is 45-years old, is a household of one and files taxes as single with no dependents.

2. The Appellant was active on MAGI Medicaid as a childless adult for eligibility in this group of ACA Expansion Adults, an individual must be between the ages of 19 to 64, have an AGI below 138% (with a 5% disregard) of the FPL or $1,799.75.

3. On June 16, 2025, DHS received verification of a change to the Appellant's income totaling $3,042.92 monthly based on the following: pay date May 21, 2025, gross wages of $689.93, pay date May 28, 2025, gross wages of $704.79, pay date June 4, 2025, gross wages of $820.89, and pay date June 11, 2025, gross wages of $827.31.

4. DHS updated the income to reflect the change and calculated his monthly income at $3,161.54.

5. The BDN sent to the Appellant on June 13, 2025, notified that Medicaid was denied as of August 1, 2025, because the household income exceeded the eligibility criteria.

6. The Appellant presented verification of wages from the summer of 2024 and his 2024 federal tax return. He testified that he did not submit the wage verification obtained by DHS in June 2025 and does not know where DHS received this information, but he confirmed the income information in the verification was correct. He disagreed that DHS uses current wages and gross income to calculate and determine benefits as his income changes frequently.

VIII. DISCUSSION

DHS testified Health Coverage benefits were processed in compliance with Medicaid regulations. On June 16, 2025, the Appellant's paystubs from May 21, 2025, to June 11, 2025, totaling $3,161.54, were received and updated, this put him over the eligibility limit of $1,799.75, therefore coverage was terminated. The MAGI-Medicaid calculation uses the gross income and family size based on Medicaid policy. Their position was that the Appellant's

evidence was not valid verification of income as the 2024 wages were too old and the 2024 tax return was not reflective of his current income.

The Appellant agreed with DHS that he is over the income limits. The Appellant disagreed with the process used to calculate benefits. His position was his income is seasonal and fluctuates, DHS should take this into consideration. He also pays expenses such as food and rent from his gross income and they should deduct those expenses accordingly. The Appellant presented paystubs they verified net wages only dated June 23, 2024, to July 27, 2024, in attempts to prove that his income is higher in the summer in months.

In review of the evidence, DHS presented four paystubs that totaled $3,042.92, but it was unknown why DHS testified, and their evidence showed they calculated his monthly gross at $3,161.54. While the Appellant attempted to prove at the hearing that his income fluctuates, he did not provide sufficient evidence to support this. The 2024 paystubs only showed the net income, but even if they did show gross wages, there were no paystubs from other months to make a comparison. And while the Appellant presented his 2024 tax return, it was not relevant to his current income as he testified the AGI for 2024 was not reflective of his 2025 income.

Per Medicaid rules, the Agency must use a household's current monthly income and household size when evaluating eligibility. The Appellant is a household of one, he is an adult between the age of 19 to 64, therefore his AGI must fall between 133% to 138% of the FPL to be Medicaid eligible. AGI is deducted only by some "above the line" deductions such as alimony payments, student loan interest and a few others, none of which these expenses apply to the Appellant. Lastly, according to policy when there are changes in income, a clear history of predictable fluctuations in income or other indications of future change this may be considered in determining eligibility.

In review of DHS's actions in this matter, the Agency used the Appellant's current gross wages, as he reported no allowable deductions to his AGI. Although the Appellant reported fluctuations in his income, he did not provide sufficient evidence to show any predictable changes, nor to verify that his 2025 income will be less than his 2024 AGI. The total of the last four weeks of wages varied slightly from the monthly gross utilized by DHS, but by either calculation the Appellant is over the income limit for the program. Therefore, DHS was correct to utilize the Appellant's current gross wages and in the termination of his MAGI Medicaid.

IX. CONCLUSION OF LAW

After review of the Administrative record, I conclude the following reasons for this decision:

Per 210-RICR-30-00-5.6(B) to calculate income eligibility for Medicaid the household's AGI which is current income adjusted only by "above-the-line" deductions, must be compared to the FPL standard for their coverage group. Based on the evidence the Appellant's monthly AGI is $3,402.92.

Per 210-RICR-30-00-1.6(A)(4) for the coverage group of ACA expansion adults AGI must fall below 138% of the FPL, or $1,799.75. Based on the evidence the Appellant's income exceeds this amount and is therefore ineligible.

X. DECISION

Based on the Administrative record, there is sufficient evidence to support DHS's termination of the Appellant's Health Coverage as these actions were processed in accordance with regulations.

It is ordered that DHS's decision in this matter is final and this appeal is denied.

/s/Holly Young | Appeals Officer | Executive Office of Health and Human Services

NOTICE OF APPELLANT RIGHTS

This Final Order constitutes a final order of the Departments of Human Services pursuant to the RI General Laws §42-15-12. 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 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] and by email to [redacted] : copies were sent electronically to DHS representatives of the DHS Appeals Unit, the DHS Policy Unit, Kirsten Cornford and Heidy Mena-Torres.

On this 14th day of October, 2025.