
Appellants: [REDACTED]
For: Medical Assistance
Agency: Department of Human Services
Docket: 265075

**DECISION OF
STATE AGENCY
ON APPEAL**

On November 7, 2023, Human Services Judge Kalli Bennett held a hearing under Minnesota Statutes, section 256.045, subdivision 3.¹

The following people appeared at the hearing:

[REDACTED], Appellant.

The human services judge, based on the evidence in the record and considering the arguments of the parties, recommends the following Findings of Fact, Conclusions of Law, and Order.

¹The MNsure Board contracts with the Department of Human Services for its Appeals Division to conduct hearings and issue decisions regarding disputes involving MNsure determinations in accordance with Minnesota Statutes, section 62V.05, subdivision 6, and Minnesota Rules, part 7700.0105. The Minnesota Department of Human Services conducts state fair hearings pursuant to Minnesota Statutes, section 256.045, subdivision 3.

STATEMENT OF ISSUES

The issue raised in this appeal is:

Whether the Agency correctly determined Appellant is not eligible for Medical Assistance (MA) or MinnesotaCare coverage.

Recommended decision:

AFFIRM the Agency's determination.

PROCEDURAL HISTORY

1. On August 30, 2023, the Minnesota Health Care Programs (Agency) sent a Health Care Notice informing [REDACTED] (Appellant) that he was not eligible for Medical Assistance (MA) or MinnesotaCare.²
2. On September 30, 2023, Appellant submitted an appeal request.³
3. On November 7, 2023, the human services judge held an evidentiary hearing on the matter by telephone conference. At the hearing, the Appellant requested the record be held open until November 9, 2023 to allow for the opportunity to submit additional documents. The record was held open until November 9, 2023 to receive any additional documents from Appellant. On November 9, 2023, additional documents were received from Appellant.⁴ On November 9, 2023, the record closed consisting of the hearing testimony and three exhibits.⁵

FINDINGS OF FACT

1. On June 23, 2023, the Agency sent Appellant a renewal form.⁶ The renewal form explained that the household needed to review the form, provide current information for the household, and return the form within 30 days.⁷ The Agency did not receive the renewal from the household within the 30-day deadline.⁸

² See Exhibit 1.

³ See Exhibit A.

⁴ See Exhibit B.

⁵ Exhibit A: Appeal Request; Exhibit B: Appellant's Additional Documents; Exhibit 1: Agency Appeal Summary with attachments.

⁶ See Exhibit 1.

⁷ See Exhibit 1.

⁸ See Exhibit 1.

2. On August 8, 2023, the Agency sent Appellant a cancellation notice, informing Appellant that coverage would be closed effective September 1, 2023 for non-renewal.⁹

3. On August 30, 2023, the Agency conducted a telephone renewal with Appellant.¹⁰ Based on the information provided:¹¹

a. Appellant's household consists of one: Appellant.¹²

b. Appellant attested to being self-employed and a household projected annual income (PAI) of \$29,000.00.¹³

4. On August 30, 2023, the Agency processed the renewal and sent Appellant a Health Care Notice.¹⁴ The notice informed Appellant that he was determined not eligible for MA or MinnesotaCare.¹⁵ Appellant was approved for a Qualified Health Plan with Advanced Premium Tax Credits and/or Cost Sharing Reductions (QHP with APTC/CSR).¹⁶

5. On September 30, 2023, the Appellant submitted an appeal request.¹⁷ In the appeal request, Appellant stated: "Renewal was done over the phone and I'm not certain information given was 100% accurate. I'd like to review and correct any inaccuracies."¹⁸

6. On October 19, October 26, and October 28, 2023, the Agency attempted to discuss the renewal information with Appellant; however, the calls went to voicemail or Appellant stated he was unable to discuss the appeal.¹⁹

7. On November 9, 2023, Appellant submitted an email to the Appeals Division with an attached document.²⁰ The attachment was a 1099-NEC (Nonemployee Compensation) form (Rev. January 2022).²¹ The form showed that Appellant had been paid \$14,380.81 by [REDACTED]; however, the form did not specify what calendar year the income was received.²²

⁹ See Exhibit 1.

¹⁰ See Exhibit 1.

¹¹ See Exhibit 1.

¹² See Exhibit 1.

¹³ See Exhibit 1.

¹⁴ See Exhibit 1.

¹⁵ See Exhibit 1.

¹⁶ See Exhibit 1.

¹⁷ See Exhibit A.

¹⁸ See Exhibit A.

¹⁹ See Exhibit 1.

²⁰ See Exhibit B.

²¹ See Exhibit B.

²² See Exhibit B.

ARGUMENTS OF PARTIES

1. **Agency.** The Agency argues that Appellant reported a PAI of \$29,000.00 when completing the required renewal, and that this is over the 200% FPG for MinnesotaCare. Additionally, the Agency argues that Appellant had a monthly income of \$2,416.66 (\$29,000/12 months), which is over the 133% FPG for MA coverage. The Agency argues that Appellant is over the program income limits for MA and MinnesotaCare, and therefore is not eligible.

2. **Appellant.** Appellant argues that throughout the renewal process he was receiving contradictory information about when to renew and whether it was urgent or he had two months' time to respond. Appellant argues that he reached out by phone and wasn't really prepared to do the phone renewal. Appellant argues that he then got the notice of denial and went online to find a plan but the platform wasn't working. Appellant argues that he then decided to try the appeal process. Appellant argues that he then got an additional letter November 1, 2023 about being enrolled effective December 1, 2023, but he doesn't know why. Appellant argues that he believes he should still qualify for MA or MinnesotaCare. Appellant argues that he estimated his income when doing the phone renewal; but argues that in going back to look at his records, he made less than \$20,000 for 2022 and believes 2023 will be consistent with that. Appellant argues that he's self-employed as a contractor.

APPLICABLE LAW

1. **Jurisdiction.** The Commissioner of Human Services has jurisdiction over appeals involving matters listed in Minnesota Statutes, section 256.045, subdivision 3(a).

2. **Timeliness.** Unless federal or Minnesota law specifies a different time frame in which to file an appeal, an individual or organization specified in this section may contest the specified action by submitting a written request for a hearing to the state agency within 30 days after receiving written notice of the action or within 90 days of such written notice if the person shows good cause why the request was not submitted within the 30 day time limit.²³ Examples of good cause include personal injury or illness, an emergency, an obligation which reasonably takes precedence, excusable neglect, excusable inadvertence, excusable mistake, or other good cause as determined by the human services judge.²⁴ The individual filing the appeal has the burden of proving good cause by a preponderance of the evidence.²⁵ An appeal of an adverse decision by MNsure must be received within 90 days from the date of the notice of eligibility determination.²⁶

²³ Minn. Stat. § 256.045, subd. 3(i).

²⁴ Minn. Stat. § 256.0451, subd. 13.

²⁵ Minn. Stat. § 256.045, subd. 3(i).

²⁶ Minn. R. 7700.0105, subp. 2.

3. ***Burden of Persuasion.*** The burden of persuasion is governed by specific state or federal laws and regulations that apply to the subject of the hearing.²⁷ Unless otherwise required by specific state or federal laws that apply to the subject of the appeal, the appellant carries the burden to persuade the appeals examiner that a claim is true and must demonstrate such by a preponderance of the evidence.²⁸

4. ***Preponderance of the Evidence.*** The “preponderance of the evidence” means, in light of the record as a whole, the evidence leads the human services judge to believe that the finding of fact is more likely true than not true.²⁹ The legal claims or arguments of a participant do not constitute either a finding of fact or a conclusion of law, except to the extent the human services judge adopts an argument as a finding of fact or conclusion of law.³⁰ The human services judge’s recommended order must be based on all relevant evidence.³¹

5. ***Medical Assistance.*** The state laws about Medical Assistance are set forth in Minnesota Statutes, Chapter 256B. In order to be eligible for Medical Assistance, an adult, parent, or caretaker relative may have household income up to 133% of the federal poverty guidelines (FPG) for the same household size.³² For a household size of one, 133% of the FPG is \$1,615 monthly.³³

6. ***MinnesotaCare.*** The state laws about MinnesotaCare are set forth in Minnesota Statutes, Chapter 256L. In order to be eligible for MinnesotaCare, a household’s income needs to be between 133% and 200% of federal poverty guidelines for the same household size.³⁴ For a household of one, 200% of the FPG is \$27,180 annually.³⁵

CONCLUSIONS OF LAW

1. The Commissioner of Human Services has jurisdiction over this appeal under Minnesota Statutes, section 256.045, subdivision 3. After allowing for a reasonable mailing period of the notice, I find this appeal is timely.

2. I find the preponderance of credible evidence supports finding that the Agency correctly determined Appellant is not eligible for Medical Assistance or MinnesotaCare coverage; therefore, the Agency’s denial should be affirmed. After receiving a cancellation

²⁷ Minn. R. 7700.0105, subp. 16(D).

²⁸ Minn. R. 7700.0105, subp. 16(D).

²⁹ Minn. Stat. § 256.0451, subd. 22.

³⁰ Minn. Stat. § 256.0451, subd. 22.

³¹ Minn. Stat. § 256.045, subd. 5.

³² Minn. Stat. § 256B.056, subd. 4(b).

³³ Income and Asset Guidelines are available at: <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-3461A-ENG>.

³⁴ Minn. Stat. § 256L.04, subd. 1.

³⁵ Income and Asset Guidelines are available at: <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-3461A-ENG>.

notice for failure to complete a renewal, Appellant called the Agency and completed a renewal over the telephone. During that call Appellant attested to PAI of \$29,000 of self-employment income. The Agency then used this attested income information to determine Appellant was over the program income limits for MA and MinnesotaCare. Appellant then appealed, asserting that he believes the income information he provided may have been inaccurate. Despite the Agency and county attempting to contact Appellant to resolve any possible inaccuracies during the appeal process, Appellant did not provide the Agency or county with new income information or verifications regarding a lower income. As part of the appeal process, Appellant argued that he actually only made less than \$20,000 for 2022 and submitted a copy of one 1099-NEC to show nonemployee compensation of \$14,380.81 with [REDACTED]; which is approximately half the amount Appellant reported as his PAI during the telephone renewal. It is difficult to understand why Appellant's attested income during the renewal would be so drastically different from what he now alleges he actually earns (\$14,380.81 versus \$29,000), after learning what the program income limits are and the impact of the higher reported income. Additionally, although Appellant submitted a copy of a 1099-NEC to support his claim that he should qualify for coverage, I do not find this one document sufficient to verify a lower income and support reversing the Agency's determination. A self-employed contractor may have more than one 1099 in a tax year and this form does not necessarily document Appellant's total reportable taxable income; and therefore, I find it is not sufficient for verifying Appellant's claimed lower income. Therefore, based on the record, I find the preponderance of credible evidence supports the Agency correctly used the income information Appellant attested to in the renewal (PAI \$29,000), which is above the program income limits for MA and MinnesotaCare; and therefore, the Agency's determination should be affirmed.

RECOMMENDED ORDER

Based on all of the evidence, I recommend that the Commissioner of Human Services:

- AFFIRM the Agency's determination that Appellant is not eligible for Medical Assistance or MinnesotaCare.

Kalli Bennett

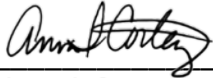
Kalli Bennett
Human Services Judge

12-26-2023

Date

ORDER

On behalf of the Commissioner of Human Services and for the reasons stated above, I adopt the recommended Findings of Fact, Conclusions of Law, and Recommended Order as the final decision of the Department of Human Services.



Anna I. Cortez

Co-Chief Human Services Judge

December 27, 2023

Date

cc: [REDACTED], Appellant
DHS – Eligibility Appeals Unit (via e-mail)

FURTHER APPEAL RIGHTS

This decision is final unless you take further action.

Appellants who disagree with this decision should consider seeking legal counsel to identify further legal action. If you disagree with this decision, you may:

- **Request the appeal be reconsidered.** The request must state the reasons why you believe your appeal should be reconsidered. The request may include legal arguments and may include proposed additional evidence supporting the request. If you propose additional evidence, you must explain why the evidence was not provided at the hearing. **The request must be in writing and be made within 30 days of the date this decision was issued by the co-chief human services judge.** You can mail the request to: Appeals Division, Minnesota Department of Human Services, P.O. Box 64941, St. Paul, MN 55164-0941. You can also fax the request to (651) 431-7523. **You must send a copy of the request to the other parties.** To ensure timely processing of your request, please include the name of the human services judge assigned to your appeal and the docket number. The law that describes this process is Minnesota Statutes, section 256.0451, subdivision 24.
- **Start an appeal in the district court.** This is a separate legal proceeding that you must start **within 30 days of the date this decision was issued by the co-chief human services judge.** You start this proceeding by: 1) serving a written copy of a notice of appeal upon the Commissioner of Human Services and upon any other adverse party of

record; and 2) filing the original notice and proof of service with the court administrator of the county district court. The law that describes this process is Minnesota Statutes, section 256.045, subdivision 7.³⁶

³⁶ County agencies do not have the option of appealing decisions about Supplemental Nutrition Assistance Program (SNAP), Minnesota Family Investment Program (MFIP), or Diversionary Work Program (DWP) benefits to district court under 7 Code of Federal Regulations, section 273.15(q)(2), and Minnesota Statutes, section 256J.40. A prepaid health plan may not appeal this order under Minnesota Statutes, section 256.045, subdivision 7.