



Minnesota Department of **Human Services**

**DECISION OF
STATE AGENCY
ON APPEAL**

In the Appeal of: [REDACTED]
For: Minnesota Health Care Programs
Agency: Saint Louis County Public Health and Human Services
Minnesota Department of Human Services
Docket: 171074

On February 18, 2016, Human Services Judge John Freeman held an evidentiary hearing under Minn. Stat. § 256.045, subd. 3.

The following persons appeared at the hearing:

[REDACTED], Appellant; and
Natalie Listemaa, Financial Worker, [REDACTED] County Public Health and Human
Services.

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.

STATEMENT OF ISSUE

The issue raised in this appeal is:

Whether the Agency properly terminated Appellant's Medical Assistance coverage, because Appellant turned 65 years old and no longer had a basis of eligibility for the program.

FINDINGS OF FACT

1. ***Procedural History.***

a. On December 9, 2015, ██████████ County Public Health and Human Services ("County") sent ██████████ ("Appellant") a Notice of Action, informing Appellant that his Medical Assistance coverage would end after January 31, 2016, and Appellant would be eligible for MinnesotaCare coverage at that time. In response, Appellant filed an appeal request that was received by the Appeals Office on December 30, 2015. *County Exhibit 1; Appellant Exhibit A.*

b. On February 18, 2016, Human Services Judge John Freeman held an evidentiary hearing by telephone conference. The Judge accepted into the record one exhibit each from Appellant, the County, and the Minnesota Department of Human Services ("DHS"), and held the record open to receive additional documents from Appellant and the County. After no additional documents were received, the record was closed on February 29, 2016, consisting of the testimony of the parties and three exhibits.¹

2. ***Appellant's Household and Income.***

a. Appellant turned 65 years old on February 2, 2016. Appellant lives alone and was assessed for health insurance eligibility as a household of one. *Testimony of Appellant; Testimony of County; County Exhibit 1.*

b. Appellant has no current income. He lives entirely off savings, currently estimated at about \$40,000. Appellant is uncertain about whether he qualifies for Social Security benefits. Appellant believes he was told that he would not qualify for Social Security until age 70. However, Appellant is confident that he has more than 40 quarters of work history in the United States. *Testimony of Appellant.*

3. ***Appellant's Health Insurance Coverage.***

a. Appellant is currently enrolled in Medical Assistance coverage. However, the County sent Appellant a Health Care Notice on December 9, 2015,

¹ Appellant Exhibit A: Appeal request. County Exhibit 1: State Agency Appeals Summary (including Health Care Notice from December 9, 2015; Health Care Programs Manual pages; December 15, 2015, letter from County; January 2, 2016, letter from Appellant; cover page of Application for Certain Populations). DHS Exhibit 1: State Agency Appeals Summary (including appeal memorandum; blank Application for Certain Populations).

informing him that his coverage would end January 31, 2016, and he would be eligible for MinnesotaCare on February 1, 2016. *County Exhibit 1; Testimony of County.*

b. The reason for the termination of Appellant's coverage is that he turned 65 in February 2016, and no longer met the Medical Assistance basis of eligibility he was approved under – adults without children. Instead, according to the County, to qualify for Medical Assistance at age 65, Appellant would need to qualify under a different basis of eligibility – aged, blind, or disabled persons. *Testimony of County.*

c. In testimony, the County clarified that Appellant's Medical Assistance coverage would continue through the end of February 2016. The County claimed that Appellant would most likely start MinnesotaCare coverage at that time, because Appellant applied for coverage through the MNsure system. The County explained that the system directs the Agency to approve the next most affordable insurance affordability program when an applicant is denied Medical Assistance for reasons other than excess income. *Testimony of County; County Exhibit 1.*

d. At the time of the County's determination, Appellant was also asked to complete the Medical Assistance Application for Certain Populations, in order to determine if he continued to qualify for Medical Assistance, under the aged, blind or disabled basis of eligibility. Appellant completed and submitted this application on January 12, 2016, but it was still being processed by the County at the time of the evidentiary hearing. According to the County's representative, processing is being held up by a need for asset verifications from Appellant and for the state to close Appellant's existing Medical Assistance case. *Testimony of Appellant; Testimony of County.*

e. Appellant is uncertain whether he qualifies for Medicare. Appellant was asked to provide more information about his potential Medicare eligibility by February 29, 2016, but did not do so. *Testimony of Appellant.*

CONCLUSIONS OF LAW

1. ***Jurisdiction.*** This appeal is timely, and the Commissioner of Human Services has jurisdiction over its subject matter. *Minn. Stat. § 256.045, subd. 3.*

2. ***Burden of Persuasion.*** In an administrative appeal, the burden of persuasion is governed by state or federal laws that apply to the hearing. *Minn. Stat. § 256.0451, subd. 17.* When there is no specific burden of persuasion provision, the party seeking that a certain action be taken must prove the facts at issue by a preponderance of the evidence. *Id.* Therefore, in this appeal involving the Agency's termination of Appellant's Medical Assistance coverage, the Agency proposing the termination has the burden of showing why its determination was correct.

3. ***Categorical Eligibility for Medical Assistance.***

a. Eligibility for Medical Assistance requires, among other things, that

an individual meets a basis of eligibility for the program – also called an eligibility category. *See, Minn. Stat. § 256B.055.* Relevant to this case, bases of eligibility include “adults without children” and “aged, blind or disabled persons”. *Minn. Stat. §§ 256B.055 subd. 15 and 256B.055 subd. 7.*

b. Those who qualify under the “adults without children” basis of eligibility must be over age 20 but under age 65; not pregnant; not entitled to Medicare Part A or enrolled in Medicare Part B; and not eligible under another basis of eligibility. *Minn. Stat. § 256B.055 subd. 15.*

c. Those who qualify under the “aged, blind or disabled persons” basis of eligibility must meet the categorical eligibility requirements of the Supplemental Security Income program (or would meet those requirements but for excess income or assets); or be determined to have a disability by the state medical review team. *Minn. Stat. § 256B.055 subd. 7.*

4. ***Income and Assets Eligibility for Medical Assistance.***

a. In addition to the requirements above, each basis of eligibility has distinct limitations with respect to income and assets. For those who qualify under the “adults without children” basis of eligibility, the household income limit is 133 percent of the Federal Poverty Guidelines² (“FPG”) for the household size. *Minn. Stat. § 256B.056, subd. 4(c).* In addition, an amount is subtracted from the household income equal to five percent of the FPG. *Minn. Stat. § 256B.056, subd. 1a(b)(2).* For those with this basis of eligibility, there is no asset limitation. *Minn. Stat. § 256B.056, subd. 3(b).*

b. For those who qualify under the “aged, blind or disabled persons” basis of eligibility, the household income limit is 100 percent of the FPG for the household size. *Minn. Stat. § 256B.056, subd. 4(a).* In addition, an eligible individual under this category must not own more than \$3,000 in assets, although many types of assets are excluded in making this determination. *Minn. Stat. § 256B.056, subd. 3(a).*

5. ***Ending Adults without Children Basis of Eligibility.*** Eligibility for Medical Assistance recipients with an “adults without children” basis ends on the last day of the month prior to their 65th birthday. *Insurance Affordability Programs Manual § 300.10.05.05.*³

6. ***Determining Medical Assistance Eligibility for Those 65 and Older.*** As noted above, there are distinct eligibility requirements for those who qualify for Medical Assistance at age 65 versus those who qualify under age 65. Adults without children and most other eligibility categories can apply for coverage through the MNsure system, as Appellant did. However, the unique eligibility criteria for those under the aged, blind or

² The Federal Poverty Guidelines are published by the U.S. Department of Health and Human Services at <http://aspe.hhs.gov/2015-poverty-guidelines>. The 2015 FPG apply to Medical Assistance through June 30, 2016.

³ The DHS Insurance Affordability Programs Manual can be found online at www.mn.gov/dhs by clicking “General Public”, “Publications, forms and resources”, “Manuals”, and “Insurance Affordability Programs Manual (IAPM)”.

disabled category – such as the inclusion of an asset limit – requires a separate application form, titled Application for Certain Populations. *DHS Form 3876*.⁴

7. ***Conclusion.***

a. In this case, Appellant previously qualified for Medical Assistance as an adult without minor children. However, Appellant’s eligibility under this category ended on the last day of the month before his 65th birthday. Appellant turned 65 in [REDACTED], so his last day of eligibility for Medical Assistance was [REDACTED]. As such, the Agency should be affirmed.

b. Although Appellant may be eligible for the program under the aged, blind and disabled category of eligibility, his Application for Certain Populations had not yet been fully processed, so a determination on that issue had yet to be made. If a determination is made that Appellant disagrees with, he would have the right to an appeal on that issue if requested timely.

RECOMMENDED ORDER

THE HUMAN SERVICES JUDGE RECOMMENDS THAT the Commissioner of Human Services AFFIRM the Agency’s termination of Appellant’s Medical Assistance coverage, because Appellant turned 65 years old and has not established to date that he has a basis of eligibility for the program.

John Freeman
Human Services Judge

Date

ORDER OF THE COMMISSIONER

IT IS THEREFORE ORDERED THAT, based upon all the evidence and proceedings, the Commissioner of Human Services adopts the Human Services Judge’s recommendation as the Commissioner’s final decision.

FOR THE COMMISSIONER OF HUMAN SERVICES:

cc: [REDACTED], Appellant
Natalie Listemaa, [REDACTED] County Public Health and Human Services

Date

⁴ This DHS form can be found online at <https://edocs.dhs.state.mn.us/lfsrver/Public/DHS-3876-ENG>.

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 recourse.

If you disagree with this decision, you may:

- **Request the Appeals Office reconsider this decision.** 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; however, if you submit additional evidence, you must explain why it was not provided at the time of the hearing. The request must be *in writing*, be made *within 30 days of the date of this decision*, and a *copy of the request must be sent to the other parties*. Send your written request, with your docket number listed, to: *Appeals Office, Minnesota Department of Human Services, P.O. Box 64941, St. Paul, MN 55164-0941*. You may also fax the request to (651) 431-7523.
- **Start an appeal in the district court.** This is a separate legal proceeding that you must start *within 30 days of the date of this decision*. You start this proceeding by serving a written copy of a notice of appeal upon the Commissioner and any other adverse party of record, and 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 Statute § 256.045, subdivision 7.⁵

⁵ 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 C.F.R. § 273.15(q)(2) and Minnesota Statute § 256J.40.