Minnesota Department of **Human Services**

DECISION OF

STATE AGENCY

ON APPEAL

In the Appeal of: [redacted]

For: Minnesota Health Care Programs

Agency: Minnesota Department of Human Services

Docket: 172899

On March 28, 2016, Human Services Judge John Freeman held an evidentiary hearing under Minn. Stat. § 256.045, subd. 3.

The following person 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.

STATEMENT OF ISSUE

The issue raised in this appeal is:

> Whether the Agency properly terminated Appellant's Medical Assistance coverage, effective January 31, 2016, because Appellant did not complete the annual renewal process.

FINDINGS OF FACT

1. On January 16, 2016, Minnesota Department of Human Services ("Agency") sent [redacted] ("Appellant") a Notice of Action, informing Appellant that his Medical Assistance coverage would end after January 31, 2016. In response, Appellant filed an appeal request that was received by the Appeals Office on January 31, 2016. *Agency Exhibit 1; Appellant Exhibit A.*

2. On March 28, 2016, Human Services Judge John Freeman held an evidentiary hearing by telephone conference. The Judge accepted into the record one exhibit from Appellant and one exhibit from the Agency. At the end of the hearing, the record was left open to receive paystubs and other information from the Appellant, but they were not received before the April 18, 2016. On April 19, 2016, the record was closed consisting of the testimony of Appellant and two exhibits.[1]

3. Appellant is 21 years old and a household of one. Appellant is employed, and earns approximately $250 per week in gross income, with little variation from week to week. Appellant was not certain about this amount and was asked to provide recent paystubs, but did not do so. Based on this estimate, Appellant's projected annual income is approximately $13,000. *Testimony of Appellant.*

4. Appellant has received Medical Assistance as a household of one since February 1, 2015. As of the date of the evidentiary hearing, it was not clear to Appellant whether her Medical Assistance coverage continued pending the outcome of the appeal. *Agency Exhibit 1.*

5. On December 12, 2015, [redacted] County Human Services ("[redacted] County") sent Appellant a Health Care Renewal Notice, which required Appellant to update information related to her receipt of Medical Assistance within 30 days. Appellant denies receiving this notice until February 2016, but did receive the subsequent notice regarding closing her Medical Assistance. Appellant claims that her mail is sometimes forwarded to her sister in California, because she and her sister have names that have only

[1] Appellant Exhibit A: Appeal Request Form. Agency Exhibit 1: State Agency Appeals Summary (including a February 5, 2015, Health Care [Eligibility] Notice; a December 12, 2015, Health Care Renewal Notice; and a January 16, 2016, Heath Care Closing Notice).

one different letter, and that this would explain the delay in receiving the renewal notice. Appellant acknowledged, however, that the document appears to have been addressed to her current address. Appellant was asked to provide some evidence that the letter was routed to her sister, but did not do so. *Testimony of Appellant; Appellant Exhibit A.*

6. As of the date of the evidentiary hearing, Appellant had not completed the renewal paperwork, but noted that she planned to do so soon. Appellant stated that she appealed instead, and did not understand that she could do both. *Testimony of Appellant.*

7. On January 16, 2016, after not receiving renewal paperwork from Appellant, [redacted] County sent Appellant a Health Care Closing Notice. The notice informed Appellant that her Medical Assistance coverage would end after January 31, 2016, because Appellant did not complete the renewal process. The notice further informed Appellant that her coverage may nevertheless continue, as long as she submitted the renewal documents by the end of January. Appellant acknowledged receiving this notice. *Agency Exhibit 1; 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. ***Medical Assistance Eligibility.***

a. Adults without children who meet other eligibility requirements can qualify for Medical Assistance if they have income that does not exceed 133 percent of the Federal Poverty Guideline[2] ("FPG") for the household size. *Minn. Stat. § 256B.056, subd. 4(c).* For a household of one, 133 percent of the 2015 FPG[3] is $15,654 per year.

b. Eligibility is available for the month of application and for three months prior to application if the person was eligible in those prior months. *Minn. Stat. § 256B.056, subd. 7.*

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[2] The Federal Poverty Guidelines are published each year by the U.S. Department of Health and Human Services. The 2015 Federal Poverty Guidelines can be found at http://aspe.hhs.gov/2015-poverty-guidelines.
[3] For Medical Assistance eligibility, the 2015 Federal Poverty Guidelines are in effect from July 1, 2015, through June 30, 2016.

4. ***Medical Assistance Renewal.***

a. A renewal of eligibility for Medical Assistance must occur once every 12 months, and no more frequently than that. *Minn. Stat. § 256B.056, subd. 7; 42 C.F.R. § 435.916(a)(1).*

b. The Agency shall make an annual redetermination of eligibility based on information contained in the enrollee's case file and other information available to the agency, including information accessed through an electronic database. When sufficient data is available for the Agency to renew eligibility on its own, it must not require the enrollee to submit any information. *Minn. Stat. § 256B.056, subd. 7a(a); 42 C.F.R. § 435.916(a)(2).*

c. When the Agency cannot renew eligibility on its own, it must provide the enrollee with a prepopulated renewal form containing eligibility information available to the Agency. The Agency must allow the enrollee to submit the form with any corrections or additional information to the Agency, and the enrollee must have at least 30 days to do so. *Minn. Stat. § 256B.056, subd. 7a(b); 42 C.F.R. § 435.916(a)(3)(i).*

5. ***Health Care Renewal Notice.*** The law presumes, unless there is proof to the contrary, that mail properly addressed and sent postage prepaid is received by the addressee. *Nafstad v. Merchant, 228 N.W.2d 548 (Minn. 1975).*

6. ***Medical Assistance Reinstatement.*** When an otherwise eligible enrollee is terminated for failing to complete the renewal process, she may subsequently submit the renewal form and required information within four months after the date of termination and have coverage reinstated without a lapse, and without the need to complete a new application. *Minn. Stat. § 256B.056, subd. 7a(c); 42 C.F.R. § 435.916(a)(3)(iii).*

7. ***Conclusion.***

a. In this case, I conclude that the renewal notice was timely sent to and received by Appellant. It is clear from the record that the notice was addressed to Appellant's residence, as was addressed in the same way as the notice she received one month later. Further, Appellant offered no evidence of the notice being sent to her sister's residence in California, and her claim that it may have been is not plausible on its own. There does not seem to be a reasonable explanation for the postal service forwarding a properly-addressed letter to a different address in a different state, simply because Appellant's name is nearly the same as her sister's. In addition, it should be noted that Appellant acknowledges receiving the closing notice, which provided her until the end of January to complete the renewal process. Given the conclusion that Appellant was timely provided with a prepopulated renewal form, and was provided at least 30 days to complete the form, the Agency's decision to terminate coverage should be affirmed.

b. Notwithstanding the recommendation to affirm, it should be noted that Appellant appears to continue to meet eligibility requirements for the Medical Assistance program, as her income is not projected to exceed 133 percent of the FPG.

Further, assuming Appellant does in fact meet eligibility requirements, she should be able to continue her coverage without a lapse, if she submits to [redacted] County the renewal form and any required information within four months of the end of her Medical Assistance coverage, as provided in Conclusion of Law 6 above.

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 did not complete the annual renewal process.

_____ _____

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:

_____ _____

Date

cc: [redacted], Appellant
Teressa Saybe, Minnesota Department of Human Services

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.[4]

[4] 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.