



Minnesota Department of **Human Services**

**DECISION OF
STATE AGENCY
ON APPEAL**

In the Appeal of: [REDACTED]
For: MinnesotaCare
Agency: Minnesota Department of Human Services
Docket: 173060

On February 26, 2016, Human Services Judge Victoria M. Lemberger held an evidentiary hearing under Minn. Stat. § 256.045, subd. 3.

The following people appeared at the hearing:

[REDACTED], Appellant

Based on the evidence in the record and considering the arguments of the parties, I recommend the following findings of fact, conclusions of law, and order.

STATEMENT OF ISSUES

The issue raised in this appeal is:

Whether the agency correctly terminated appellant's coverage because she did not verify the household income to establish eligibility.

FINDINGS OF FACT

1. Sometime in November 2015, the appellant received a prepopulated renewal form from MinnesotaCare (the agency). *Appellant testimony*. The form included instructions to make any necessary corrections, sign the form and return it to the agency within 30 days. *Id.* The appellant signed the renewal form indicating that everything in it was correct. *Id.*

2. On November 20, 2015, MinnesotaCare (the agency) received the appellant's renewal form. *Exhibit 3*. The agency processed the form on November 21, 2015. *Id.* The appellant was determined to be eligible for coverage, pending projected annual income verification for appellant's husband, however, the agency did not send a request for verification. *Exhibit 4*.

3. On January 8, 2016, the agency sent the Appellant a written notice of action requesting verification of household income. *Exhibit 5*. The notice advised the appellant that her coverage would terminate if the information was not received by January 20, 2016. The notice was returned to the agency as undelivered on January 13, 2016. *Exhibit 6*.

4. On February 3, 2016, the appellant attempted to refill a prescription and was told that she no longer had coverage. *Appellant testimony*. The appellant contacted the agency and learned that her coverage had been cancelled. *Exhibit 8*. The appellant filed a request challenging this action, which the appeals office received on February 3, 2016. *Exhibit 1*. On February 26, 2016, I held an evidentiary hearing by telephone conference. I closed the record, consisting of eight exhibits on that date.¹

5. The appellant and her husband left town on December 25, 2015 to care for appellant's mother. *Exhibit 1 and appellant testimony*. The appellant forwarded her mail to her son. *Id.* Shortly after she left, she received the card from the insurance company indicating that she had coverage. *Id.* Appellant's son promptly forwarded the card. *Id.*

6. When the appellant spoke with the agency representative, she was told that

¹ Exhibit 1 – Appeal, Exhibit 2 – Agency Summary; Exhibit 3 – Agency Memorandum; Exhibit 4 – Case Note, November 21, 2015; Exhibit 5 – Request for Verification; Exhibit 6 – Copy of Envelope; Exhibit 7 – Maxis Screen; Exhibit 8 – Case note, February 3, 2016.

she could simply reapply. *Exhibit 1 and appellant testimony.* Unfortunately, the appellant's mother is receiving hospice care and she is not certain when they will return to Minnesota. *Id.* All of the income proofs are in a locked box in Minnesota and no one else has access to it. *Id.*

7. The appellant has a life threatening illness that if she misses her medication, she will, in all likelihood, end up in the hospital with an infection within days. *Exhibit 1 and appellant testimony.*

8. Although everything was correct on the renewal form, it turned out that the appellant had made a small error in that she did not include her husband's amount of social security income that withheld for his Medicare premium, a total of \$1,246 annually. *Id.* The agency explained this to the appellant when they spoke on February 3, 2016. *Id.*

CONCLUSIONS OF LAW

1. This appeal is timely under Minn. Stat. § 256.045, subd. 3.

2. The Commissioner of Human Services has jurisdiction over this appeal under Minn. Stat. § 256.045, subd. 3.

3. Minn. Stat. § 256L.05 subd. 4 requires MinnesotaCare to “determine an applicant's eligibility for MinnesotaCare no more than 45 days from the date that the application is received by the Department of Human Services as set forth in Code of Federal Regulations, title 42, section 435.912.”

4. An enrollee's eligibility for MinnesotaCare must be redetermined on an annual basis. *Minn. Stat. § 256L.05, subd. 3a.* Beginning in calendar year 2015, eligibility redeterminations shall occur during the open enrollment period for qualified health plans as specified in Code of federal Regulations, title 45, section 155.410. *Id.* Each new period of eligibility must take into account any changes in circumstances that impact eligibility. *Minn. Stat. § 256L.05, subd. 3a(b).* Coverage begins as provided in section 256L.06. *Id.* Premium payment is required before enrollment is complete and to maintain eligibility in MinnesotaCare. *Minn. Stat. § 256L.06, subd. 3(c).*

5. The Affordable Care Act and Medicaid regulations require that, for an enrollee whose income eligibility is based on MAGI, eligibility must be redetermined annually using information in the enrollee's case file and information from trusted electronic data sources. *Minnesota Department of Human Services Bulletin, Medical Assistance and MinnesotaCare Renewal Process for Cases in the New Eligibility System, No. 14-21-05.*² Minnesota is following this renewal policy for MinnesotaCare enrollees in the new eligibility system. *Id.* Enrollees who have their eligibility confirmed using

² Available at <http://hcopub.dhs.state.mn.us/>.

available information must get a notice that tells them about the information used to renew their eligibility. They must contact their servicing agency if any of the information is inaccurate. *Id.* These enrollees are considered “automatically renewed” and they do not have to sign or return any paperwork to renew their eligibility. If an enrollee who has been automatically renewed contacts the servicing agency to update information, the change in information is treated like a change in circumstances, and the enrollee’s eligibility is redetermined.

6. For some enrollees, eligibility cannot be confirmed using available information, or available information shows that the enrollees are no longer eligible for their current program. These enrollees include those who need to submit verifications and those who, on their application, did not agree to use of federal tax data for renewal. They also include enrollees for whom electronic data sources show a change in circumstances that makes them ineligible for their current program. These enrollees must get a pre-populated renewal form that contains the available information used to redetermine their eligibility. These enrollees are considered “need-to-renew” enrollees, and they must sign and return the pre-populated renewal form, making any needed changes to the information on the form. *Minnesota Department of Human Services Bulletin, Medical Assistance and MinnesotaCare Renewal Process for Cases in the New Eligibility System, No. 14-21-05.*

7. Here the appellant received the prepopulated renewal form and signed it indicating that it was correct. The agency admits that it received it on November 20, 2015. At least until January 8, 2016, there was every reason to believe that appellant’s coverage had been “automatically renewed”. The agency did not act within 45 days and there is no information as to why it waited nor the basis for concluding that the appellant was eligible “pending verification”. For this reason, the appellant should have been automatically renewed. Given that the agency did not notify the appellant in a timely manner that it needed additional information, the agency termination should be reversed. The new information, i.e. the verification of income, should be treated like a change in circumstances, particularly since it appears that the agency did in fact have all the correct information. For these reasons, the agency termination should be reversed so long as the appellant pays the required MinnesotaCare premiums.

RECOMMENDED ORDER

THE HUMAN SERVICES JUDGE RECOMMENDS THAT the Commissioner of Human Services REVERSE the agency’s termination of MinnesotaCare.

Victoria M. Lemberger
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 her final decision.

FOR THE COMMISSIONER OF HUMAN SERVICES:

Date

cc: [REDACTED], Appellant
Teressa Saybe, DHS, 0838

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 7.³

³ 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.