

OFFICE OF STATE ADMINISTRATIVE HEARINGS
STATE OF GEORGIA

██████████, :
Petitioner, : Docket No.: OSAH-DFCS-AMN-██████████
 : Walker
 :
v. : Agency Reference No.: ██████████
 :
 :
DEPARTMENT OF FAMILY AND :
CHILDREN SERVICES, DEPARTMENT OF :
HUMAN RESOURCES, :
Respondent. :

INITIAL DECISION

I. Introduction

Petitioner, ██████████, seeks administrative review of Respondent's determination that she is ineligible for Adult Medically Needy Medicaid benefits. The parties presented sworn testimony and evidence at an administrative hearing held on February 3, 2014. Petitioner appeared *pro se*, and Caseworker Priscilla Findley appeared as a witness for Respondent, the Department of Family and Children Services ("DFCS"). For the reasons indicated, Respondent's determination regarding Petitioner's spend down requirement is **AFFIRMED**.

II. Findings of Fact

1.

Petitioner applied for Adult Medically Needy Medicaid (AMN Medicaid) on September 1, 2013, pursuant to a six-month renewal. Petitioner has been receiving AMN Medicaid under the spend down-eligible category. She is not qualified for another Aged, Blind, or Disabled (ABD) Medicaid class of assistance because her income is too high.¹ *Testimony of Caseworker Findley; Testimony of Petitioner.*

2.

Petitioner's gross income is \$1468 per month. The standard deduction under the Medicaid program is \$317, with an additional \$20 general deduction. Based on Petitioner's income and the Medicaid deductions, Caseworker Findley testified that Petitioner must pay or spend down

¹The Renewal Results letter, dated August 30, 2013, informed Petitioner that her Medicaid coverage would be terminated for "refus[al] to cooperate with the application process." This is inaccurate: her coverage was terminated for failure to meet the spend down requirement. Respondent is required to provide Petitioner with adequate notice that includes the reason for the action. Generic denial reasons may not be used as the sole reason for denial. *ABD Medicaid Manual § 2060-6*. While Respondent is in violation of this requirement, Petitioner did not raise the issue at the hearing; the Court will therefore not address it.

\$1153 in medical expenses per month before she will be eligible to receive AMN Medicaid.²
Testimony of Caseworker Findley; Testimony of Petitioner.

3.

Petitioner submitted documentation of \$40,000 worth of medical expenses paid by Medicare and Medicaid to Respondent on October 1, 2013. All of these bills had already been paid, and Petitioner did not present any unpaid medical expenses. However, Petitioner has been unable to go to the doctor or schedule needed procedures and therapy because of the Medicaid renewal determination of ineligibility. Caseworker Findley indicated that if Petitioner is able to obtain pre-authorized bills for her needed medical care, she may submit the bills to meet her spend down requirement. *Testimony of Caseworker Findley; Testimony of Petitioner.*

III. Conclusions of Law

1.

Respondent bears the burden of proof because it is terminating Petitioner's benefits. OSAH Rule 616-1-2-.07(1)(e). The evidentiary standard is preponderance of the evidence. OSAH Rule 616-1-2-.21(4).

2.

AMN Medicaid is a class of assistance that provides Medicaid coverage for aged, blind or disabled individuals whose income or resources exceed income and resource limits for all other ABD Medicaid classes of assistance. If an individual's net countable income is less than or equal to the Medically Needy Income Level the individual is de facto eligible for AMN Medicaid. If, on the other hand, an individual's income is greater than the Medically Needy Income Level, the individual may use incurred medical expenses to spend down the excess income and become eligible. Eligibility under a spend down is determined on a monthly basis, although budget reviews occur every six months. *ABD Medicaid Manual § 2150-1, -2.*

3.

Spend down eligibility for AMN Medicaid is met by subtracting allowable medical expenses from the amount of excess income (i.e., income in excess of the Medically Needy Income Level) until the spend down reaches zero. Once the spend down is met, the individual is considered spend down eligible and will be approved for AMN Medicaid beginning the day spend down is met through the remainder of the month. To be an allowable medical expense, the applicant must be responsible for paying the bill. If the bill is paid by a third party, it cannot count towards the spend down. *ABD Medicaid Manual § 2150-2, -3.*

4.

In this case, Petitioner's gross income is \$1468 per month. The AMN Medicaid Net Income Limit is \$317 and there is a further \$20 deduction. *ABD Medicaid Manual App. A1-1 (2014).* Taken together, Petitioner is allowed \$337 per month and must spend down the residual amount

² She based this calculation on an income amount of \$1489 per month, an amount unsupported by the evidence. Petitioner testified that her monthly income was \$1468, which was corroborated by the Renewal Letter informing her of the denial of coverage. *Testimony of Caseworker Findley; Testimony of Petitioner.*

of \$1131. Under the AMN rules, she is only eligible for AMN Medicaid when this residual income is offset by incurred medical expenses. For each month that Petitioner demonstrates she has incurred \$1131 in medical bills that she is responsible for paying (as opposed to a third party), she will be eligible for AMN Medicaid for the remainder of the month. A list of allowable medical expenses may be found in the *ABD Medicaid Manual § 2150-8 through -10*. Additionally, per Respondent's representative, Petitioner may submit pre-authorized medical bills to qualify for AMN Medicaid.

IV. Decision

Petitioner may spend down her excess income using incurred medical expenses for which she must pay, at which time she will be eligible to receive AMN Medicaid. For the reasons stated, Respondent's determination is **AFFIRMED**.

SO ORDERED this 20th day of February, 2014.

RONIT WALKER
Administrative Law Judge