



The Delaware Code (31 Del. C. §520) provides for judicial review of hearing decisions. In order to have a review of this decision in Court, a notice of appeal must be filed with the clerk (Prothonotary) of the Superior Court within 30 days of the date of the decision. An appeal may result in a reversal of the decision. Readers are directed to notify the DSS Hearing Office, P.O. Box 906, New Castle, DE 19720 of any formal errors in the text so that corrections can be made.

**DELAWARE DEPARTMENT OF HEALTH AND SOCIAL SERVICES
DIVISION OF SOCIAL SERVICES**

In re:

DCIS No. 000000000

Ms. Smith

Appearances: Ms. Smith, pro se, Appellant

Julia Turner-Wheeler, Sr. Social Worker/Case Manager, Team # 910, Division of Social Services

Denise Curtis, Sr. Social Worker Supervisor, Division of Social Services

I.

Ms. Smith ("Appellant") opposes a decision by the Division of Social Services ("DSS") to reduce her Medical Assistance benefits from Medicaid for Uninsured Adults to Family Planning Services based upon being over the income limit for a household of one (1).

The Division of Social Services ("DSS") contends that the Appellant is over the income limit for a household of one (1) to be eligible for Medicaid for Uninsured Adults.

II.

On June 2, 2011, DSS sent to Appellant a Notice About Your Medical Assistance, effective July 1, 2011. (Exhibit 3)

On June 17, 2011, the Appellant filed a request for a fair hearing requesting that benefits continue during the pendency of the case. (Exhibit 2) According to the Fair Hearing Summary dated June 25, 2011, benefits have continued. (Exhibit 1)

The Appellant was notified by certified letter dated July 8, 2011, that a fair hearing would be held on July 29, 2011. The hearing was conducted on that date in Dover, Delaware.

This is the decision resulting from that hearing.

III.

DSS testified that during the renewal process, it determined that the Appellant was receiving unemployment compensation. DSS testified that the Appellant received \$288.00 in weekly gross unemployment compensation. Since there are 52 weekly pay periods in a year, merely multiplying a weekly income by four (4) yields an erroneous result because it fails to account for the four (4) “extra” pay periods in the year. To account for these “extra” pay periods, federal policy requires DSS to multiply a weekly gross income by 4.33, resulting in a monthly income reflecting one twelfth (1/12) of the Appellant’s yearly gross income. (DSSM 16230) Following this federal policy, DSS determined that the Appellant would receive a total of \$1,247.04 in gross unemployment compensation for the month of July 2011 ($\$288 \times 4.33 = \$1,247.04$).

Pursuant to the Division of Social Services Manual (“DSSM”) 16230, countable income is used to determine eligibility for benefits. DSSM 16230 defines countable income as earned or unearned income minus any disregards, if applicable. DSSM 16230.2 identifies unemployment compensation as a type of unearned income, and notes that unearned income is counted as paid without application of any disregards. In this case, the Appellant received no earned income disregard, as all of her income was deemed to be unearned. Accordingly, DSS determined that the Appellant’s monthly income amounted to \$1,247.04. DSS applied a monthly income limit for a family of one (1) amounting to \$908.00 and reduced the Appellant’s medical assistance benefits from Medicaid for Uninsured Adults to Family Planning Services.

At the hearing, the Appellant testified that she broke her toe two (2) weeks ago, and had undergone unrelated surgery two (2) days previous. The Appellant further testified that although she did receive unemployment compensation, her unemployment compensation was temporary and would be discontinued as of August 9, 2011. In addition, the Appellant testified that as a home-owner, she has additional monthly expenses, such as mortgage and utilities. Lastly, the Appellant testified that she suffers from several medical and mental health issues, which all require continual professional care.

Pursuant to DSSM 16230.1.1, DSS is only permitted to utilize gross income, and not net income (after expenses), for purposes of eligibility. As this benefit is based solely on income, there are no deductions made for medical or other expenses and a person’s medical condition is not taken into consideration when determining eligibility.

In order to determine eligibility for Medicaid for Uninsured Adults, DSSM 16250 instructs DSS that after applying appropriate disregards to income, to compare the countable family income to the income eligibility standard for the budget unit size. To be eligible, uninsured adults must have family income at or below 100% of poverty.

According to Administrative Notice A-05-2011, 100% of the federal poverty level for a household of one (1) is equal to \$908.00 per month.

Based upon the information provided, DSS correctly determined that the Appellant's total monthly countable income is over the income limit to be eligible for Medicaid for Uninsured Adults as a household of one (1). As a result, the Appellant was properly sent a Notice About Your Medical Assistance, reducing her medical assistance to Family Planning Services. I conclude that substantial evidence supports DSS' decision to close the Appellant's medical assistance benefits. The Appellant is encouraged to re-apply for Medicaid for Uninsured Adults when her unemployment compensation ends.

IV.

For these reasons, the June 2, 2011 decision of the Division of Social Services to reduce the Appellant's Medical Assistance benefits effective July 1, 2011 is AFFIRMED.

Date: September 1, 2011



MICHAEL L. STEINBERG, J.D.
HEARING OFFICER

THE FOREGOING IS THE FINAL DECISION OF THE
DEPARTMENT OF HEALTH AND SOCIAL SERVICES

September 1, 2011

POSTED

cc: Ms. Smith
Julia Turner-Wheeler, Team # 910, DSS
Denise Curtis, DSS

EXHIBITS FILED IN OR FOR THE PROCEEDING

EXHIBIT #1 – Copy of DSS Fair Hearing Summary dated June 25, 2011, consisting of two (2) pages.

EXHIBIT #2 – Copy of the Appellant's request for a fair hearing date-stamped June 17, 2011, consisting of one (1) page.

EXHIBIT #3 – Copy of the Notice About Your Medical Assistance, dated June 2, 2011, consisting of five (5) pages.