

STATE OF VERMONT

HUMAN SERVICES BOARD

In re) Fair Hearing No. A-11/09-590
)
Appeal of)

INTRODUCTION

The petitioner appeals a decision by the Department for Children and Families, Health Access Eligibility Unit (HAEU), closing her health care coverage under the Catamount Health Premium Assistance Plan (CHAP) for the month of November 2009 for failure to pay the program premium directly to the Department. The material facts are not in dispute. The issue is whether the CHAP regulations were properly applied in petitioner's case.

FINDINGS OF FACT

1. The petitioner was assessed a \$110 per month premium for her CHAP coverage.
2. The Department sent petitioner a payment coupon and self-addressed envelope for petitioner to remit her CHAP payment directly to the Department prior to October 15, 2009 for November 2009 health care coverage.

3. The petitioner used a service through her bank to pay her premium directly to the health care insurer. She made this payment in a timely fashion.

4. The Department generated a Health Care Closure Notice on October 20, 2009. The Notice informed petitioner that her health care coverage would end on October 31, 2009 because the Department had not received her premium. She was informed that her coverage would continue if payment were received before coverage was due to end.

5. Petitioner stated that the Health Care Closure Notice was postmarked October 21, 2009.

6. Petitioner was out of town when the Notice was mailed. Petitioner contacted Maximus the beginning of November 2009.¹

7. A fair hearing request was filed with the Human Services Board on November 9, 2009. A telephone conference was held on December 9, 2009.

ORDER

The Department's decision is affirmed.

¹Petitioner's CHAP eligibility was reinstated effective December 2009. The health care insurer has reimbursed her.

REASONS

The Legislature enacted the Catamount Health Assistance Plan (CHAP) to provide health insurance to uninsured Vermonters who are not eligible for Vermont Health Access Plan (VHAP) benefits and whose income is at or less than 300 percent of the federal poverty level. 33 V.S.A. §§ 1981 *et seq.* Pursuant to the Vermont Administrative Procedures Act, the Department has established rules governing the CHAP program.

The pertinent language is found at W.A.M. § 5900 in which CHAP is defined as:

. . . a premium-assistance program for adults who are uninsured and not eligible for VHAP and who do not have access to an approved ESI plan. This program offers financial assistance for the purchase of a Catamount Health policy. **Individuals send their portion of the monthly premium to the state. The state then pays the cost of the Catamount Health plan to the insurance company.** CHAP is available to Vermont residents with incomes at or below 300 per cent of the FPL who are uninsured and who are not eligible for a public insurance program. (Emphasis added.)

See W.A.M. §§ 4111, 4160-4162, 5913, 5970 and 5971.

In particular, W.A.M. § 5970 sets out different methods a household can use to pay their premium to the Department such as direct payment by the household's bank. More importantly, W.A.M. § 5970(C) sets out that if the Department does not receive timely payment of the household's premium,

the Department sends a termination or closure notice to the household.

Petitioner argues that her payment directly to the insurance company should have been sufficient to meet her obligations and does not see why the Department does not allow such payments. However, the regulations governing CHAP are clear that a household's premium payment needs to be paid to the Department who, in turn, aggregates that premium with state assistance prior to paying the private health insurance company.

The petitioner also questions the date of the closure notice. Pursuant to W.A.M. § 5930(D), notice of closure or termination must be sent at least eleven days prior to disenrollment. The date of mailing is included in computing time limits. In this case, the Department complied with the notice provisions.

Because the Department has acted in accordance with the regulations, the Department's decision is affirmed. 3 V.S.A. § 3091(d), Fair Hearing Rule No. 1000.4D.

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