

STATE OF VERMONT

HUMAN SERVICES BOARD

In re) Fair Hearing No. B-07/10-350
)
Appeal of)

INTRODUCTION

The petitioner appeals a decision by the Department for Children and Families, Health Access Eligibility Unit (HAEU), denying his application for Employer-Sponsored Insurance Assistance (ESIA).

The decision is based upon the facts adduced at hearing on August 12, 2010 and through subsequent telephone status conference.

The issue is whether the petitioner does not meet the eligibility criteria for the ESIA program.

FINDINGS OF FACT

1. The petitioner is twenty-four years old and is a one-person household.

2. The petitioner works for New Balance Williston. He became employed during February 2010. His income is below the eligibility limits for the ESIA program or for the Catamount Health Access Program (CHAP). The petitioner

became eligible to enroll in his employer's health insurance program.

3. The enrollment period to sign up for his employer's health insurance was July 1, 2010. The petitioner signed up for his employer's health insurance on June 23, 2010 and was enrolled on July 1, 2010.

4. The petitioner completed a Health Care Program Application on June 24, 2010.¹ Petitioner indicated some confusion as to the program requirements.

5. HAEU received petitioner's application on June 29, 2010. HAEU has thirty days in which to process an Application.

6. Petitioner signed up for his employer's health insurance plan before HAEU had the opportunity to determine whether the employer's health insurance plan was approvable under program regulations.

7. On July 12, 2010, HAEU issued a Notice of Decision that petitioner may be eligible for ESIA pending a review of the employer's health insurance plan. Petitioner was advised in writing not to sign up for his employer's health insurance

¹Phone records indicate that petitioner contacted the Department on or about June 18, 2010 for the Application forms.

plan until advised to do so by HAEU. By that point, the warning was too late.

8. On July 22, 2010, HAEU issued a Notice of Decision that petitioner was not eligible for ESIA because he had signed up for his employer's plan without the plan being approved.

9. A HAEU Case Action Note dated July 19, 2010 indicated that they reviewed the Plan Information submitted by the employer and found that the health insurance plan offered by petitioner's employer was not approvable due to the amount of the in-network deductible. The employer's plan included a \$5,000 in-network deductible of which the employee was responsible for \$2,500.

10. On July 26, 2010, petitioner asked for a fair hearing after speaking to a HAEU staff member. His fair hearing request was filed with the Board on July 29, 2010.

ORDER

The Department's decision to deny ESIA is affirmed.

REASONS

The Legislature enacted 33 V.S.A. § 1974(a) which mandates enrollment in employer-sponsored health insurance for those individuals who are enrolled in or eligible for

VHAP or individuals who are uninsured and have income below 300 percent of the Federal Poverty Limit (FPL) and who have access to "approved" employer sponsored insurance. The Legislature has given the Department the authority to approve ESIA plans provided those plans offer benefits that are substantially similar to VHAP or Catamount benefits. 33 V.S.A. § 1974(c)(4)(A), and W.A.M. § 5912.

As part of the application process, applicants need to comply with program requirements or face denial of benefits. W.A.M. § 5922. These requirements include waiting to enroll in an employer's health insurance plan until the Department can determine whether the employer's plan meets the requirements found in W.A.M. § 5924.2.

Petitioner jumped the gun and enrolled in his employer's plan prior to completing his ESIA application or allowing HAEU the opportunity to determine whether the plan was acceptable or if another state program would cover petitioner. As a result, the Department was correct under the regulations in denying petitioner's application.

In addition, the Department did not approve the employer's health insurance plan because the in-network

deductible was too large.² W.A.M. § 5924.2(B)(3) limits in-network deductibles to a maximum of \$500.00 per individual.

Based on the foregoing, the Department's decision to deny ESIA benefits is affirmed. 3 V.S.A. § 3091(d), Fair Hearing Rule No. 1000.4D.

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² If petitioner had not enrolled in his employer's health insurance plan, he may have been eligible for CHAP as an uninsured individual.