

Petitioner claims her mother on her tax returns but this information was not included on her renewal application. Atlantic County terminated benefits due to excess income.

The Affordable Care Act regulations establish a method for counting income based upon an applicant's Modified Adjusted Gross Income (MAGI). The countable income for MAGI is gross income according to the Internal Revenue Service Code. See 42 CFR § 435.603. Since MAGI methodology is based on the Internal Revenue Code, household compositions are identified as either tax filing or non-tax filing, with corresponding regulations governing each. 42 CFR § 435.603(f). As Petitioner files taxes, her eligibility is reviewed under the tax-filer rules.

The Initial Decision determined that the record was not sufficient to conclude that Petitioner should be terminated and remanded the matter to Atlantic County for further action. At the hearing Petitioner provided a copy of her 2017 tax return that showed her mother was listed as a dependent. P-1. Petitioner did not provide information on whether Petitioner's mother would be claimed as a tax dependent prospectively. The tax return also shows that Petitioner claimed \$12,543 in income on line 17 from "[r]ental real estate, royalties, partnerships, S corporations, trusts, etc." The renewal application indicates that no one is self-employed and Petitioner failed to respond to the question regard rental income or royalties. R-1 at 15 and 16. It is unclear what is the source of this income and whether it had been disclosed in prior applications. Atlantic County needs to obtain further information about this income source and apply it as necessary to Petitioner's case. Thus, I hereby ADOPT the Initial Decision and RETURN the matter to Atlantic County for further action.

THEREFORE, it is on this 14th day of JUNE 2019,

ORDERED:

That the Initial Decision is hereby ADOPTED; and

That the matter is RETURNED to Atlantic County.



Carol Grant, Acting Director
Division of Medical Assistance
and Health Services