

STATE OF NORTH CAROLINA
COUNTY OF DURHAM

IN THE OFFICE OF
ADMINISTRATIVE HEARINGS
13UNC10374

<p>CANDIS MILLER, Petitioner,</p> <p>v.</p> <p>UNC HOSPITALS, Respondent.</p>	<p>FINAL DECISION</p>
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THIS MATTER was heard before the undersigned Administrative Law Judge, Beecher R. Gray, on July 25, 2013 at the Office of Administrative Hearings in Raleigh, North Carolina.

APPEARANCES

For Petitioner: Candis Miller, *Pro Se*
2151 Charles St.
Durham, NC 27707

For Respondent: Kathryn J. Thomas
Special Deputy Attorney General
PO Box 629
Raleigh, NC 27602

ISSUE

Whether Respondent is entitled to Petitioner's 2012 North Carolina Tax Refund under the North Carolina Setoff Debt Collection Act, Chapter 105A of the North Carolina General Statutes.

WITNESSES

Petitioner, on her own behalf
Carolyn Penny, for Respondent

EXHIBITS

Respondent's Exhibits ("R. Exs.") admitted into evidence:

1. UNC Hospitals Detail Summary
2. UNC Hospitals Selected Detail Data
3. UNC Hospitals Patient Financial Services AR Statements Review
4. Medical Records
5. UNC Hospitals letter to Petitioner re: appeal rights

APPLICABLE STATUTES AND RULES

N.C.G.S. Chapter 105A
N.C.G.S. Chapter 150B

BASED UPON careful consideration of the documents and exhibits received, after hearing the arguments of Petitioner and Respondent, the Undersigned makes the following:

FINDINGS OF FACT

1. Petitioner filed a Petition for Contested Case Hearing on March 25, 2013, claiming that UNC Hospitals wrongfully took \$380.00 from her 2012 State income tax refund. A Notice of Contested Case and Assignment and an Order for Prehearing Statements were filed and served on Petitioner and Respondent on April 9, 2013. Petitioner and Respondent may not have received the initial Order, and after a Second Order for Prehearing Statements was issued, both parties subsequently filed Prehearing Statements. A Notice of Definite Hearing Date was issued on July 5, 2013, setting the case for hearing on July 25, 2013. The parties received notice of hearing by certified mail more than 15 days prior to the hearing and each stipulated on the record that notice was proper.
2. On December 7, 1995, Petitioner gave birth to a baby at The University of North Carolina Hospitals. The baby received medical services from that date until December 12, 1995, accruing medical bills with The University of North Carolina Hospitals in the amount of \$6,819.78.
3. The University of North Carolina Hospitals' billing records show that Petitioner provided information to the hospital indicating that Kaiser would cover the baby's medical care. Respondent filed claims for insurance payment with Kaiser, but the claims were denied. Respondent followed up with Kaiser and was advised that the baby was not enrolled and not covered by Kaiser insurance. Petitioner was a guarantor of the account at UNC Hospitals under which this care was rendered and charged.
4. Respondent sent Petitioner three bills and two letters advising Petitioner that insurance coverage had been denied by Kaiser and that she was responsible for the balance.

Petitioner made no payments on the account. After adjustments were made, a balance of \$5,455.82 remained.

5. After receiving no additional payments on the account, Respondent classified these accounts as bad debt and placed them with the North Carolina Department of Revenue under the Setoff Debt Collection Act, N. C. G. S. 105A, et seq.
6. On February 20, 2013, Respondent sent Petitioner a notice that \$380.00 had been withheld from Petitioner's 2012 State income tax refund to apply to outstanding debts at UNC Hospitals.
7. In her Prehearing Statement, Petitioner claimed that Medicaid should have covered the bill and that she was not responsible for the bill.
8. Respondent had no record of Petitioner's child being covered by Medicaid for the services related to the child's birth, and Petitioner has not produced any evidence to show enrollment or coverage by Medicaid for these services.

CONCLUSIONS OF LAW

1. The Office of Administrative Hearings has jurisdiction over the parties and the subject matter under Chapter 150B of the North Carolina General Statutes.
2. All parties correctly have been designated, and there is not a question as to misjoinder or nonjoinder.
3. Respondent provided medical services to Petitioner's child born on December 7, 1995. Petitioner, as guarantor, was responsible for payment of those services.
4. Respondent took appropriate actions to obtain payment through Petitioner's health insurer and relied in good faith upon the information provided by Petitioner.
5. Respondent is entitled to reimbursements from Petitioner for medical services rendered.
6. After Respondent applied the amount of \$380.00 from Petitioner's tax refund to the account, Petitioner's account balance for her child's hospitalization is \$5,075.82.

FINAL DECISION

NOW, THEREFORE, based on the foregoing, the Undersigned hereby finds that the Respondent is entitled to intercept and retain the Petitioner's 2012 State Income Tax Refund in the amount of \$380.00 under the state's Setoff Debt Collection Act, Chapter 105A of the North Carolina General Statutes. Respondent's actions intercepting Petitioner's 2012 State Income Tax Refund in the amount of \$380.00 are supported by the evidence and are **AFFIRMED**.

NOTICE

Under the provisions of North Carolina General Statute 150B-45, any party wishing to appeal the final decision of the Administrative Law Judge must file a Petition for Judicial Review in the Superior Court of Wake County or in the Superior Court of the county in which the party resides. **The appealing party must file the petition within 30 days after being served with a written copy of the Administrative Law Judge's Final Decision.** In conformity with the Office of Administrative Hearings' Rule, 26 N.C. Admin. Code 03.012, and the Rules of Civil Procedure, N.C. General Statute 1A-1, Article 2, **this Final Decision was served on the parties the date it was placed in the mail as indicated by the date on the Certificate of Service attached to this Final Decision.** N.C. Gen. Stat. §150B-46 describes the contents of the Petition and requires service of the Petition on all parties. Under N.C. Gen. Stat. §150B-47, the Office of Administrative Hearings is required to file the official record in the contested case with the Clerk of Superior Court within 30 days of receipt of the Petition for Judicial Review. Consequently, a copy of the Petition for Judicial Review must be sent to the Office of Administrative Hearings at the time the appeal is initiated in order to ensure the timely filing of the record.

This the 19th day of August, 2013.

Beecher R. Gray
Administrative Law Judge