



August 13, 2025

[REDACTED]

RE: [REDACTED] v. WV DoHS/BFA
ACTION NO.: 25-BOR-2432

Dear [REDACTED]:

Enclosed is a copy of the decision resulting from the hearing held in the above-referenced matter.

In arriving at a decision, the State Hearing Officer is governed by the Public Welfare Laws of West Virginia and the rules and regulations established by the Department of Human Services. These same laws and regulations are used in all cases to ensure that all persons are treated alike.

You will find attached an explanation of possible actions you may take if you disagree with the decision reached in this matter.

Sincerely,

Lori Woodward, J.D.
Certified State Hearing Officer
Member, State Board of Review

Encl: Recourse to Hearing Decision
Form IG-BR-29

cc: Mary Segarra, WV DoHS/BFA

**WEST VIRGINIA OFFICE OF INSPECTOR GENERAL
BOARD OF REVIEW**

██████████,

Appellant,

v.

Action Number: 25-BOR-2432

**WEST VIRGINIA DEPARTMENT OF HUMAN SERVICES
BUREAU FOR FAMILY ASSISTANCE,**

Respondent.

DECISION OF STATE HEARING OFFICER

INTRODUCTION

This is the decision of the State Hearing Officer resulting from a fair hearing for ██████████. This hearing was held in accordance with the provisions found in Chapter 700 of the Office of Inspector General Common Chapters Manual. This fair hearing was convened on August 6, 2025.

The matter before the Hearing Officer arises from the June 26, 2025 decision by the Respondent to terminate Adult Medicaid benefits.

At the hearing, the Respondent appeared by Mary Segarra, Economic Service Worker. The Appellant was self-represented. Appearing as a witness for the Respondent was Ashley Wood, Economic Service Worker. All witnesses were placed under oath and the following documents were admitted into evidence.

Department's Exhibits:

- D-1 SNAP review form (CSLE), scanned on May 29, 2024*
- D-2 Verification Checklist (DFA-6), dated June 4, 2025
- D-3 Notice of SNAP approval, dated June 26, 2025
- D-4 Notice of Adult Medicaid closures (EDC1), dated June 26, 2025
- D-5 Notice of Adult Medicaid closures (EDC1), dated June 26, 2025, duplicate copy
- D-6 Copy of ██████████ pay statements for ██████████, pay dates May 16 and June 13, 2025)

*Submitted in error

Appellant's Exhibits:

None

After a review of the record, including testimony, exhibits, and stipulations admitted into evidence at the hearing, and after assessing the credibility of all witnesses and weighing the evidence in consideration of the same, the Hearing Officer sets forth the following Findings of Fact.

FINDINGS OF FACT

- 1) The Appellant and her husband, [REDACTED], were recipients of Adult Medicaid.
- 2) On June 3, 2025, the Appellant completed a SNAP redetermination wherein it was reported that Mr. [REDACTED] had started employment with [REDACTED]
- 3) On June 4, 2025, the Respondent issued a verification checklist which included a request for proof of Mr. [REDACTED] income from [REDACTED] from May 16 and 30, 2025, due by June 13, 2025. (Exhibit D-2)
- 4) On June 23, 2025, the Appellant returned Mr. [REDACTED] pay statements for May 16 and June 13, 2025. (Exhibit D-6)
- 5) The Respondent was able to calculate the missing pay statement from May 30, 2025 from the year-to-date amounts of the submitted pay statements.
- 6) The Appellant's monthly gross income was calculated to be \$2,542.68, or 144% FPL (Federal Poverty Level). (Exhibit D-4)
- 7) The gross monthly income limit for Adult Medicaid eligibility must be at or below 133% FPL, which for an assistance group (AG) of 2 is \$2,345.
- 8) On June 26, 2025, the Respondent issued notification of Adult Medicaid closure for the Appellant and Mr. [REDACTED]. (Exhibits D-3 and D-4)

APPLICABLE POLICY

WV IMM, Chapter 10, §10.6.2, *Client Reporting Requirements*, in part: Clients must report all changes in circumstances such as, but not limited to, income, assets, household composition, and change of address. The client must report changes as soon as possible after he becomes aware of them. This allows the Worker to update the case and allows for advance notice, if the reported information results in an adverse action.

WV IMM, Chapter 10, §10.6.5.A, *AG Closures*, in part: When the client's circumstances change to the point that he becomes ineligible, the AG is closed.

WV IMM, Chapter 10, §10.6.5.B, *Consideration of Eligibility under Other Coverage Groups*, in part: In no instance is Medicaid under one coverage group stopped without consideration of Medicaid eligibility under other coverage groups. A child is also evaluated for WVCHIP eligibility when Medicaid under one coverage group ends. This evaluation is done before the client is notified that his Medicaid eligibility will end. **Eligibility is evaluated based on case record information.** The client may be required to visit the office only for completion of a Social Summary for an MRT referral. The AG does not remain active while the MRT decision is pending. [Emphasis added]

WV IMM, Chapter 23, §23.10.4, *Adult Group*, in part: To be eligible for the Adult Group, income must be equal to or below 133% of the Federal Poverty Level (FPL).

WV IMM, Chapter 4, §4.7.3, *MAGI-Based Income Disregard*, in part:

The only allowable income disregard is an amount equivalent to five percentage points of 100% of the Federal Poverty Level (FPL) for the applicable MAGI household size. The 5% FPL disregard is not applied to every MAGI eligibility determination and should not be used to determine the MAGI coverage group for which an individual may be eligible. The 5% FPL disregard will be applied to the highest MAGI income limit for which an individual may be determined eligible.

WV IMM, Chapter 4, §4.6.1.B, *Consideration of Past Income*: The Worker must consider information about the client's income sources before deciding which income to use. The Worker must follow the steps below for each old income source. NOTE: The year-to-date amounts on check stubs may only be used when the client has verification of all payment amounts whether used or not, but is missing one.

Step 1: Determine the amount of income received by all persons in the Income Group (IG) in the 30 calendar days prior to the application/redetermination date.

The appropriate time period is determined by counting back 30 days beginning with the calendar day prior to the date of application/redetermination. The income from this 30-day period is the minimum amount of income that must be considered. When, in the Worker's judgment, future income may be more reasonably anticipated by considering the income from a longer period of time, the Worker considers income for the time period he determines to be reasonable. Whether the Worker considers income from the prior 30 days, or from a longer period of time, all of the income received from that source during that time period must be considered. All pay periods during the appropriate time period must be considered and must be consecutive.

Step 2: Determine if the income from the previous 30 days is reasonably expected to continue into the new certification period or POC. If it is not expected to continue, the income from this source is no longer considered for use in the new certification period or POC. If it is expected to continue, determine if the amount is reasonably expected to be more or less the same. If the income is expected to continue, the income source is used for the new certification period or POC and treated according to How to Use Past and Future Income below. If it is not expected to continue at more or less the same amount, the income source is used for the new certification period or POC and treated according to Consideration of Future Income below.

Step 3: Record the results of Step 2, including the amount of income, why the source is or is not being considered for the new certification period or POC, the client's statement about continuation of the income from this source, the time period used, and, if more than the previous 30 days, the reason additional income was considered. Once the Worker has determined all the old sources of income to consider and the time period for which they are considered, he must then determine if any source should be considered for future income.

WV IMM, Chapter 4, §4.6.1.D, *How to Use Past and Future Income*, in part: After the Worker determines all of the income sources that are to be considered for use, the Worker determines the amount of monthly income, based on the frequency of receipt and whether the amount is stable or fluctuates. This is described below. ***NOTE: The purpose of finding an average amount of fluctuating income is to even out the highs and lows in the amount of income. The client is not, then, required to report fluctuating income each pay period and the Worker is not required to change income monthly. Should the client report fluctuations in the amount of income, the Worker is only required to recalculate the countable income when, in his judgment, the fluctuation will affect eligibility. All changes reported by the client must be considered, but not necessarily used. Reported changes must be recorded and the Worker must record why the reported income was or was not used.** [Emphasis added]

When the Frequency of Receipt is more often than monthly, and the amount fluctuates, find the average amount per period and convert to monthly amount and prorate to find the amount for the intended period.

Conversion of income to a monthly amount is accomplished by multiplying an actual or average amount as follows:

- Weekly amount x 4.3
- **Biweekly amount (every two weeks) x 2.15** [Emphasis added]
- Semimonthly (twice/month) x 2

WV IMM, Chapter 4, §4.7.2.A, Step 1 – Determine the Income: The Worker must first add all of the individual's income from any of the income sources listed in "Countable Sources of Income" of Section 4.3, Chart 2 and exclude income listed in "Excluded Sources of Income" of Section 4.3, Chart 2.

WV IMM, Chapter 4, §4.7.2.B, Step 2 – Make the Adjustments/Deductions, in part: After the income has been determined in Step 1, determine if any adjustments/deductions are applicable and subtract them from the income determined in Step 1. The Worker must incorporate allowable deductions (also known as adjustments) in the calculation of MAGI-based income. These adjustments/deductions can be found on page one of IRS form 1040 ... The following items are subtracted from the individual's income:

- Educator expenses
- Certain business expenses of reservists, performing artists, and fee-basis government officials
- Health savings account deductions
- Moving expenses (Only for active duty members of the military who are ordered to move or change duty station).

- Deductible part of self-employment tax
- Self-employed Simplified Employee Pension (SEP), Savings Incentive Match Plan for Employees (SIMPLE), and qualified plans
- Self-employed health insurance deductions
- Penalty on early withdrawal of savings
- Alimony paid ONLY if the alimony agreements are finalized prior to January 2019. Any pre-existing agreements modified after December 31, 2018 are not deductible.
- IRA deductions
- Student loan interest deductions

WV IMM, Chapter 4, §4.7.4, *Determining Eligibility*, in part:

The applicant's household income must be at or below the applicable MAGI standard for the MAGI coverage groups.

- Step 1: Determine the MAGI-based gross monthly income for each MAGI household income group (IG).
- Step 2: Convert the MAGI household's gross monthly income to a percentage of the FPL by dividing the current monthly income by 100% of the FPL for the household size. Convert the result to a percentage. If the result from Step 2 is equal to or less than the appropriate income limit, no disregard is necessary, and no further steps are required.
- Step 3: If the result from Step 2 is greater than the appropriate limit, apply the 5% FPL disregard by subtracting five percentage points from the converted monthly gross income to determine the household income.
- Step 4: After the 5% FPL income disregard has been applied, the remaining percent of FPL is the final figure that will be compared against the applicable modified adjusted gross income standard for the MAGI coverage groups.

WV IMM, Chapter 4, Appendix A, *Income Limits*:

133% of the FPL for a two-person AG: \$2,345

100% of the FPL for a two-person AG: \$1,763

DISCUSSION

On June 26, 2025, the Respondent issued a notice of Adult Medicaid benefit closure for the Appellant and [REDACTED]. The Respondent must show by a preponderance of evidence that it correctly determined that the Appellant and her husband, [REDACTED], were over the income limit for continued Adult Medicaid eligibility.

During a SNAP eligibility redetermination on June 3, 2025, it was determined that Mr. [REDACTED] had begun work. On June 4, 2025, a request for verification of Mr. [REDACTED] employment income from [REDACTED] with pay statements for May 16 and 30, 2025, in addition to verification of rent expense, was sent to the Appellant with a due date of June 13, 2025. On June 23, 2025, the Appellant returned Mr. [REDACTED] May 16 and June 13, 2025 pay statements. Because the returned pay statements included year-to-date (YTD) amounts, the Respondent's worker was able to determine the amount of the missing May 30, 2025 pay statement. The amounts used were as

follows:

6/13/25 YTD gross income (GI) = \$5,261.76 minus
\$1,234.88 (GI for that pay date) equals
\$4,026.88 (YTD GI on 5/30/25)

5/30/25 YTD GI = \$4,026.88 minus
5/16/25 YTD GI \$2,850.40 equals
\$1,176.48 GI for 5/30/25

5/16/25 GI \$1,188.80 plus
5/30/25 GI \$1,176.48 equals
\$2,365.28 divided by 2 pays equals
\$1,182.64 multiplied by
2.15 equals
\$2,542.68 Average monthly GI

The Appellant argued that their monthly bills should be considered in the calculation of their Medicaid eligibility. Policy for Adult Medicaid eligibility does not allow any income disregards other than an amount equivalent to five percentage points of 100% of the Federal Poverty Level (FPL) for the applicable MAGI household size. The 5% FPL disregard is not applied to every MAGI eligibility determination. It may only be used as a deduction if it brings the AG's gross income below the 133% FPL income limit. Policy sets forth the Adult Medicaid income limit for an AG of 2 as \$2,345 (133% FPL). To determine if the Appellant is eligible for the 5% disregard, the gross monthly income is divided by 100% of the FPL for the size of the assistance group: \$2,542.68 divided by \$1,763 = 1.44, which is then converted to a percentage, 144%. Since applying the 5% disregard would not bring the Appellant's income of 144% FPL below the allowable income limit of 133% of the FPL, the disregard is not applied. Although policy allows for some adjustments to income, the evidence did not show that these allowed subtractions applied. The Appellant's income is excessive to continue receiving Adult Medicaid benefits. The Board of Review is without authority to change or make exceptions to policy.

The Appellant also noted that Mr. [REDACTED] pays are never the same amount. Policy does consider fluctuating pay statements by allowing averaging of the pays. In reviewing the evidence, it appears that Mr. [REDACTED] income does not fluctuate much from paycheck-to-paycheck.

The Appellant also averred that because of her mental and physical health she requires medication as does Mr. [REDACTED], which they cannot afford. There was no evidence presented to show that the Appellant's record contained any information regarding their stated health issues. However, it is noted that the Appellant is not currently receiving any income from the Social Security Administration. The Respondent's representative explained that there may be other Medicaid programs for which Mr. [REDACTED] may be eligible, such as the M-WIN (Medicaid Work Incentive) program; however, a separate application is required.

The Respondent showed by a preponderance of evidence that it correctly determined the Appellant and Mr. [REDACTED] to be over the income limit for Adult Medicaid eligibility resulting in closure of their Adult Medicaid benefits.

CONCLUSIONS OF LAW

- 1) The income limit for a two-person AG for Adult Medicaid benefits is \$2,345.
- 2) The Appellant's AG has a monthly gross income of \$2,542.68, or 144% FPL.
- 3) The Appellant's income exceeds the eligibility limit to continue receiving Adult Medicaid benefits.
- 4) The Respondent correctly terminated the Appellant and her husband's Medicaid benefits.

DECISION

It is the decision of the State Hearing Officer to **UPHOLD** the Respondent's decision to terminate the Appellant's and her husband's Adult Medicaid.

ENTERED this 13th day of August 2025.

Lori Woodward, Certified State Hearing Officer