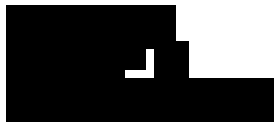




September 4, 2025



RE: [REDACTED] v. WV DoHS
ACTION NO.: 25-BOR-2507

Dear Ms. [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 Health and Human Resources. 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,

Pamela L. Hinzman
State Hearing Officer
Member, State Board of Review

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

cc: Marsha Hizer, WV DoHS

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

██████████,

Appellant,

v.

Action Number: 25-BOR-2507

**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 West Virginia Office of Inspector General Common Chapters Manual. This fair hearing was convened on September 2, 2025.

The matter before the Hearing Officer arises from the Respondent's termination of Continuously Eligible Newborn Medicaid benefits and its subsequent denial of coverage under other children's medical coverage groups.

At the hearing, the Respondent appeared by Marsha Hizer, Economic Services Supervisor, WV DoHS, and Hannah McComas, Economic Services Supervisor, WV DoHS. The Appellant was self-represented. All witnesses were placed under oath and the following documents were admitted into evidence.

Department's Exhibits:

None

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's daughter was a recipient of Continuously Eligible Newborn (CEN) Medicaid coverage.
- 2) The Appellant's daughter turned one year old in July 2025 and was due for a case redetermination.
- 3) On July 18, 2025, the Appellant was informed that CEN Medicaid benefits would stop effective August 2025.
- 4) Upon the closure of CEN Medicaid coverage, the Respondent's computer system automatically evaluated the Appellant's three-person household for other types of children's medical coverage.
- 5) The Respondent determined that the Appellant's household income was excessive for Modified Adjusted Gross Income (MAGI) Children's Medicaid by adding the Appellant's gross monthly earned income of \$3,096 and her husband's earned income of \$4,730 per month (total gross monthly household income of \$7,826).
- 6) On July 24, 2025, the Appellant was informed that Children's Medicaid and West Virginia Children's Health Insurance Program (WVCHIP) benefits were denied based on excessive income.

APPLICABLE POLICY

West Virginia Income Maintenance Manual Chapter 1.10.5 states that the redetermination for the Continuously Eligible Newborn child is scheduled in the month before the month the child becomes one year old to ensure that the child is evaluated for all coverage groups. The redetermination process is initiated by the eligibility system, which generates the redetermination form. The redetermination form may be submitted by mail or online by use of WV PATH. Chapter 1.10.6.B states that the ending date of eligibility for CEN coverage is the last day of the month of the effective date of closure.

West Virginia Income Maintenance Manual Chapter 3.6 states that the Affordable Care Act (ACA) simplified children's Medicaid eligibility categories by combining certain existing mandatory and optional eligibility groups. The Children Under Age 19 coverage group combines coverage for children in the former Aid to Families with Dependent Children (AFDC) Medicaid, Qualified Child, and Poverty-Level Children coverage groups.

Code of Federal Regulations 42 CFR 435.118 states:

(b) ***Scope.*** The agency must provide Medicaid to children under age 19 whose household income is at or below the income standard established by the agency in its State plan, in accordance with [paragraph \(c\)](#) of this section.

(c) *Income standard.*

(1) The minimum income standard is the higher of—

(i) 133 percent FPL for the applicable family size; or

(ii) For infants under age 1, such higher income standard up to 185 percent FPL, if any, as the State had established as of December 19, 1989 for determining eligibility for infants, or, as of July 1, 1989 had authorizing legislation to do so.

(2) The maximum income standard for each of the age groups of infants under age 1, children age 1 through age 5, and children age 6 through age 18 is the higher of—

(i) 133 percent FPL;

(ii) The highest effective income level for each age group in effect under the Medicaid State plan for coverage under the applicable sections of the Act listed at [paragraph \(a\)](#) of this section or waiver of the State plan covering such age group as of March 23, 2010 or December 31, 2013, if higher, converted to a MAGI-equivalent standard in accordance with guidance issued by the Secretary under section 1902(e)(14)(A) and (E) of the Act; or

(iii) For infants under age 1, 185 percent FPL.

West Virginia Income Maintenance Manual Chapter 23.10.2 establishes the following income limits for children's Medicaid groups: children under age one, 158% of the Federal Poverty Level (FPL); children ages 1 to 5, 141% of the FPL; children ages 6 to 19, 133% of the FPL.

West Virginia Income Maintenance Manual Chapter 22.5.1 states:

The Patient Protection and Affordable Care Act, enacted March 23, 2010, amended by the Health Care and Education Reconciliation Act of 2010, enacted March 30, 2010, are together referred to as the Affordable Care Act (ACA). The ACA required a new methodology for determining how income is counted and how household composition and size are determined when establishing financial eligibility for all three Insurance Affordability Programs (IAP)— Medicaid, Children's Health Insurance Program (CHIP) and Advance Premium Tax Credits (APTC) through the Marketplace. MAGI Methodology is used to determine financial eligibility for the West Virginia Children's Health Insurance Program (WVCHIP) and the following Medicaid eligibility groups:

- Adults
- Parents and Other Caretaker Relatives
- Pregnant Women
- Children Under Age 19 The same methodology is used to determine WVCHIP eligibility as is used for MAGI Medicaid groups. See Section 4.7.

West Virginia Income Maintenance Manual Chapter 4.7.4 states that 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.

West Virginia Income Maintenance Manual Chapter 4, Appendix A, states that 141% of the FPL for a three-person Assistance Group is \$3,132 per month.

West Virginia Income Maintenance Manual Chapter 22.1 states that the West Virginia Children's Health Insurance Program is administered through the Children's Health Insurance Agency within the Department of Human Services. WVCHIP is a means-tested health insurance program for children from birth to age 19 and pregnant women. See 22.17 for WVCHIP Pregnancy. Applications are received through the Federally Facilitated Marketplace (FFM), the DOHS, or any entity approved to take applications on behalf of the DOHS. Eligibility determination by the FFM or the Department are equally valid.

Eligible clients are assigned to one of the following WVCHIP enrollment groups based on the countable income of the Income Group (IG):

- WVCHIP Children Gold – up to 150% of the federal poverty level (FPL) with limited co-payments
- WVCHIP Children Blue – over 150% of the FPL and up to 211% of the FPL with full copayments
- WVCHIP Pregnancy Blue – over 185% of the FPL and up to 211% of the FPL with full co-payments
- WVCHIP Children and Pregnancy Premium – over 211% of the FPL and up to 300% of the FPL with monthly premiums and full co-payments
- Exempt – Federal regulations exempt Native Americans/Alaska Natives from cost sharing

West Virginia Income Maintenance Manual Chapter 22.16.1 states that individuals are eligible for WVCHIP when all of the following conditions are met:

1. At the time of application or redetermination, the child must not be financially eligible for a Modified Adjusted Gross Income (MAGI) Medicaid coverage group. An individual interested in receiving WVCHIP, but eligible for MAGI Medicaid, cannot choose WVCHIP instead of Medicaid, but he can refuse MAGI Medicaid. If the applicant chooses to pursue eligibility for a non-MAGI Medicaid coverage group while enrolled in WVCHIP and is found to be eligible for a non-MAGI Medicaid coverage group, the applicant is no longer eligible for WVCHIP. See Section 23.8.
2. The child is not yet age 19, regardless of school attendance or course completion date. He becomes ineligible at the end of the month in which he attains age 19. Emancipation does not impact eligibility.
3. Household income, determined according to *[sic]*, is less than or equal to 300% FPL. See Chapter 4, Appendix A.
4. The child is not an inmate of a public institution.
5. The child is not a patient in an institution for mental diseases.
6. The child meets the Medicaid citizenship and related requirements found in Chapter 7. See Section 22.8.6 regarding enumeration.
7. The child does not have creditable individual, public or private employer group health insurance coverage. Most children with other health coverage will not qualify for WVCHIP. See Appendix A Definitions.

Requirements for WVCHIP Children Example: Mr. Oak works for a grocery store and is eligible for individual or family health insurance coverage through his employer. He chooses not to enroll. His choice does not affect his children's eligibility for WVCHIP.

When an applicant drops his health insurance coverage, if otherwise eligible, his child may receive WVCHIP without a penalty the month after the insurance is no longer in effect. The parent is only required to drop the health insurance for the WVCHIP-eligible child. A child who starts receiving other creditable health insurance coverage after WVCHIP approval does not lose WVCHIP coverage prior to the expiration of the current 12-month continuous eligibility period.

West Virginia Income Maintenance Manual Chapter 4, Appendix A, states that 300% of the FPL for a three-person household is \$6,663 per month.

DISCUSSION

Policy states that the income limit for Medicaid coverage for children ages 1 to 5 is 141% of the FPL. The highest income limit for West Virginia CHIP coverage is 300 percent of the FPL provided that all other CHIP requirements are met. Children who have creditable individual, public or private employer group health insurance coverage are ineligible for WV CHIP.

The Appellant testified that her daughter has several medical conditions, including spina bifida, brain abnormality, and paralysis, and that her care is very costly. She stated that some of the medical care her daughter receives is not considered “in-network” by her workplace insurance company and that she must pay out-of-pocket expenses for the care.

While the gross income considered by the Respondent is reflective of the Appellant’s household’s earnings for the current time of year, the Appellant testified that her husband’s construction income varies throughout the year and that he does not always earn the amount recorded by the Respondent. No income verification was provided during the hearing.

The Respondent’s representatives testified that the Appellant could reapply for children’s medical benefits, provide several months of income verification, and have her husband’s income averaged to get a more accurate representation of his earnings.

Based on information provided during the hearing, the Respondent acted correctly in terminating CEN Medicaid coverage and denying Children’s Medicaid/WVCHIP benefits based on excessive income. As no documentation was provided concerning the health insurance coverage provided to the Appellant by her employer, the Hearing Officer cannot determine whether the coverage meets the definition of “creditable insurance” and would prohibit WVCHIP eligibility should income eligibility be established in the future.

CONCLUSIONS OF LAW

- 1) The Appellant’s daughter turned one year old in July 2025 and became ineligible for Continuously Eligible Newborn Medicaid effective August 2025.
- 2) The Appellant’s gross household income (as currently recorded) exceeds the income limits for Children’s Medicaid and WVCHIP benefits.
- 3) The Respondent acted correctly in terminating CEN Medicaid and denying Children’s Medicaid and WVCHIP benefits.

DECISION

It is the decision of the State Hearing Officer to **UPHOLD** the Respondent’s action to terminate CEN Medicaid coverage and deny Children’s Medicaid and WVCHIP benefits.

ENTERED this 4th day of September 2025.

**Pamela L. Hinzman
State Hearing Officer**