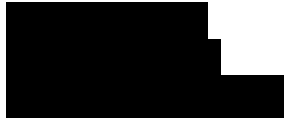




September 24, 2025



RE: [REDACTED] v. DoHS/BFA
ACTION NO.: 25-BOR-2822

Dear Mr. [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,

Kristi Logan
Certified State Hearing Officer
Member, State Board of Review

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

cc: Laurette Mincey, [REDACTED] County DoHS

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

[REDACTED]

Appellant,

v.

Action Number: 25-BOR-2822

**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 [REDACTED]. 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 September 23, 2025.

The matter before the Hearing Officer arises from the August 11, 2025, decision by the Respondent to terminate the Appellant's Qualified Individual benefits.

At the hearing, the Respondent appeared by Jennifer Wickline, [REDACTED] County DoHS. The Appellant was self-represented. Appearing as a witness for the Appellant was his wife, [REDACTED]. The witnesses were placed under oath, and the following documents were admitted into evidence.

Department's Exhibits:

None

Appellant's Exhibits:

- A-1 Statement of Life Insurance Premium from [REDACTED]
- A-2 Preneed Burial Contract and Assignment of Insurance dated August 29, 2013

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 his wife, [REDACTED], were recipients of Qualified Individual (QI) Medicare Premium Assistance benefits.
- 2) The Appellant and Ms. [REDACTED] underwent an annual redetermination of QI benefits in August 2025.
- 3) The Appellant and Ms. [REDACTED] have three checking accounts, one savings account, two vehicles, a trailer, a motorcycle, homestead property, an irrevocable burial trust and a life insurance policy.
- 4) The homestead property and irrevocable burial trust were not included in the asset calculations.
- 5) The life insurance policy for the Appellant had a previous cash surrender value of \$7,837.91.
- 5) The Respondent determined the total countable assets for the Appellant and Ms. [REDACTED] were \$14,366.87. This amount did not include an updated cash surrender value of the life insurance policy.
- 6) The Respondent sent a notice to the Appellant on August 11, 2025, advising that he and Ms. [REDACTED] would no longer receive QI benefits after August 31, 2025, as they were being evaluated for another type of assistance.
- 7) The August 11, 2025, notice did not include asset calculations.

APPLICABLE POLICY

West Virginia Income Maintenance Manual Chapter 5 explains asset eligibility:

5.3.1.B SSI Medicaid Groups

The SSI Medicaid Groups include: SSI-Related Medicaid, CDCSP, PAC, QDWI, QMB, SLIMB, and QII. The asset eligibility determination for these applications must be made as of the first moment (defined as 12:00 a.m. of the first day) of the month of eligibility. The client is not eligible for any month in which countable assets are in excess of the limit, as of the first moment of the month. Increases in countable assets during one month do not affect eligibility unless retained into the first moment of the following month.

5.3.2 When Income Becomes an Asset

Money counted as income when received becomes an asset if retained within the month after the month of receipt.

5.5.4.A Savings Accounts, Checking Accounts, Christmas Club, CDs

The current month's income deposited in accounts is not counted as an asset for that month. See Section 5.3. Checks dated or posted before the usual check receipt date are treated as if they were received in the usual month of receipt.

5.5.27 Life Insurance (Cash Surrender Value)

If the face value of all life insurance policies for one individual totals \$1,500 or less, the cash surrender values are not counted as an asset. If the face value of all life insurance policies for an individual is in excess of \$1,500, the cash surrender values are counted as an asset. The life insurance policy must be owned by the client or by a person whose assets are deemed to him to be counted. If the consent of another individual is needed to surrender a policy for its full cash surrender value, and the consent cannot be obtained, the policy is not an asset. Assignment of a life insurance policy to another individual means consent of that individual is required before it can be cashed.

5.5.39.A Homestead Property

The client's homestead is the property on which he lives, and which is owned, or is being purchased by him. It is the dwelling and the land on which the dwelling rests, which is not separated by intervening property owned by others. Public rights-of-way that run through the surrounding property and separate it from the home do not affect this exclusion. Any additional property acquired and not separated from the original acquisition by intervening property owned by others is also excluded.

5.5.41 Recreational Vehicles

Recreational vehicles are considered personal property. The current market value (CMV) must be used when determining equity. See Section 5.3.3.

5.5.48 Vehicles

The owner of a vehicle is generally the individual to whom it is titled. However, when the title of a vehicle is not in the client's name, but the client states he is the owner, the vehicle is counted as the client's asset. The trade-in value is usually used as the CMV for AFDC-Related, SSI Medicaid Groups, and WV WORKS. The trade-in value is not increased by adding the value of low-mileage or other factors, such as optional equipment or special equipment for the disabled. Possible sources for obtaining the trade-in value are listed in Section 7.3.

One vehicle is excluded as an asset for these coverage groups regardless of value, when it is used for transportation of the AG or a member(s) of the AG's household. For SSI-related policy, vehicles used for transportation include, but are not limited to, cars, trucks, motorcycles, boats, snowmobiles, animal-drawn vehicles, and animals. A temporarily disabled vehicle, normally used for transportation, also meets the criteria. The following do not meet the definition of a vehicle for SSI-related Medicaid groups:

- A vehicle with a junked title
- A vehicle only used for recreational purposes, such as a boat or snowmobile

When there is more than one vehicle, the vehicle exclusion is always applied in a manner that benefits the AG. The car with the highest value may not be the vehicle used for transportation; however, it may be excluded for that reason, if it is to the AG's advantage.

5.6.3.D Burial Funds

A client may retain a maximum of \$3,000 in burial funds for himself. He may also retain the same amount for his spouse. These funds may be in the form of money set aside for burial (maximum of \$1,500, not comingled with other funds), face value of life insurance policies, revocable or some irrevocable burial trusts or prepaid funeral contracts, etc. Burial trusts are treated like any other trust funds, unless all of the following conditions are met:

- The individual signs a contract with the funeral director promising prepayment in return for specific funeral merchandise and services. Such goods and services must be listed.
- The contract is irrevocable.
- The individual pays the agreed-upon amount to the funeral director in the form of a direct cash payment, purchase, or transfer of a life insurance policy or annuity that is assigned to the funeral director.
- The funeral director, in turn, places the pre-need payment or device into the trust or escrow account that the funeral director establishes himself. If the client establishes the trust or other device himself, the amount may be considered a transfer of resources. See Chapter 24.
- The client is expected to receive goods and services with a total CMV at least equal to the amount he paid.

When all of these conditions are met, burial funds are excluded in their entirety for the client and/or his spouse.

5.4 Maximum Allowable Assets

To be eligible for programs listed below the total amount of countable assets cannot exceed the amounts that are listed in the following chart.

QI - \$14,470 for a two-person assistance group.

DISCUSSION

Policy stipulates that the asset limit for a two-person assistance group for QI benefits is \$14,470. The Respondent terminated the Appellant and Ms. [REDACTED] QI benefits when it was determined that their total countable assets exceeded the allowable limit.

The Respondent's witness, Jennifer Wickline, testified to the assets and the values assigned to each asset that was used to determine asset eligibility for QI:

Checking account \$2,518.17
Checking account \$1,519.97
Checking account \$1,435.45
Savings account \$3,533.28
Life insurance cash surrender value \$7,837.91
[REDACTED] \$3,500
[REDACTED] \$510

██████████ - \$2,500
Utility trailer - \$350

Ms. Wickline stated that the Appellant's homestead property and an irrevocable burial trust were excluded from the asset calculation. Ms. Wickline stated the total countable assets were \$14,366.87, which did not include the current value of the life insurance cash surrender amount, which was previously verified as \$7,837.91.

The Appellant provided a copy of his Preneed Burial Trust and Assignment of Life Insurance Policy documenting that he assigned his life insurance policy to ██████████ Funeral Service in 2013 to pay for his burial expenses (Exhibit A-1). The burial contract is irrevocable, and the Appellant no longer has access to the cash surrender value of his life insurance policy. This documentation was previously provided to the Respondent in 2013 and should not have been used in determining the Appellant's asset eligibility for QI benefits as the asset is no longer accessible to the Appellant.

Policy stipulates that the current month's income deposited in checking or savings accounts is not counted as an asset for that month. The Respondent provided no evidence to determine if the Appellant's or Ms. ██████████ income had been subtracted from the balances of the checking/savings accounts.

Policy allows for the exclusion of one vehicle in asset determination for QI. There was no testimony provided by the Respondent that one vehicle had been excluded for the Appellant in determining his asset eligibility. Policy provides that the vehicle with the highest value is excluded, therefore the ██████████ valued at \$3,500 will be excluded.

The Appellant's total countable assets are three checking accounts, one savings account, ██████████, ██████████, and the 2005 utility trailer, when combined is \$12,366.87. The Appellant's total countable assets are below the \$14,470 asset limit.

Whereas the Respondent incorrectly included the value of the ██████████ and the life insurance cash surrender value in the asset calculation for the Appellant, the Respondent's decision to terminate QI benefits cannot be affirmed.

CONCLUSIONS OF LAW

- 1) The asset limit for QI benefits for two-person assistance group is \$14,470.
- 2) The Respondent failed to exclude one vehicle of the highest value from asset calculations for the Appellant.
- 3) The Respondent failed to exclude the life insurance policy that was assigned to ██████████ Funeral Services to purchase a preneed burial contract.
- 4) The Appellant's total countable assets are \$12,366.87, which is under the allowable limit.
- 5) The Appellant and Ms. ██████████ are eligible for QI benefits.

DECISION

It is the decision of the State Hearing Officer to **reverse** the decision of the Respondent to terminate the Appellant's and [REDACTED] Qualified Individual benefits.

ENTERED this 24th day of September 2025.

Kristi Logan
Certified State Hearing Officer