



December 16, 2025



RE: [REDACTED] v. DoHS/BFA
ACTION NO.: 25-BOR-3273

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,

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

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

cc: Samantha Vickers, [REDACTED] County DoHS

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



Appellant,

v.

Action Number: 25-BOR-3273

**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 December 10, 2025.

The matter before the Hearing Officer arises from the November 5, 2025, decision by the Respondent to deny Long Term Care Medicaid benefits for October 2025.

At the hearing, the Respondent appeared by Samantha Vickers, [REDACTED] County DoHS. The Appellant appeared by [REDACTED] WV Medicaid Advisors. The witnesses were placed under oath, and the following documents were admitted into evidence.

Department's Exhibits:

- D-1 Hearing Request received November 7, 2025
- D-2 West Virginia Income Maintenance Manual §§5.3.1.B and 5.3.4
- D-3 Notice of Denial dated November 3, 2025
- D-4 [REDACTED] Life Insurance Policy

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 applied for Long Term Care Medicaid benefits in September 2025 with the approval date requested for October 1, 2025.
- 2) The Appellant purchased a single premium life insurance policy on September 26, 2025, for \$26,000 (Exhibit D-4).
- 3) The single premium life insurance policy has no cash surrender value and no surrender privileges (Exhibit D-4).
- 4) The Respondent issued a notice of denial on November 5, 2025, advising the Appellant that his assets exceeded the allowable limit to receive Long Term Care Medicaid benefits for October 2025 (Exhibit D-3).
- 5) The total countable assets attributed to the Appellant for October 2025 were \$1,573.49 in liquid assets and \$26,000 for the life insurance policy.
- 6) Long Term Care Medicaid benefits for the Appellant were approved effective November 1, 2025.

APPLICABLE POLICY

West Virginia Income Maintenance Manual Chapter 5 explains asset eligibility:

5.3.1.B Supplemental Security Income (SSI) Medicaid Groups

The asset eligibility determination for SSI Medicaid group 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.

5.3.4 Accessibility of Assets

A client may not have access to some assets. To be considered an asset, the item must be owned by, or available to, the client and available for disposition. If the client cannot legally dispose of the item, it is not his asset.

5.3.5 Conversion or Sale of an Asset

Assets may be either liquid or non-liquid. An asset is converted from one form to another by sale or exchange. In addition, assets may be exchanged for assets of the same form. **When assets are converted, the Worker must determine if the result of the conversion is an excluded or non-excluded asset.** The result of the sale of an asset is never counted as income or as a lump-sum payment to the client. **The new or converted asset must be evaluated as any other asset to determine continuing eligibility.**

5.4 Maximum Allowable Assets

\$2,000 for a one-person assistance group for SSI-Related Medicaid

5.5.27 Life Insurance (Cash Surrender Value)

SSI Medicaid Groups: 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 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.

DISCUSSION

The asset limit for a one-person assistance group for LTC Medicaid is \$2,000. Countable assets must be below the asset limit as of the first moment of the first day of the month to be eligible. The Respondent denied LTC Medicaid benefits for the Appellant for October 2025 due to excessive assets.

The Respondent determined the Appellant's countable assets for October 2025 as \$27,573.49. The Respondent's witness, Samantha Vickers, testified that the Appellant had the option to return the single premium life insurance policy purchased for \$26,000 on September 26, 2025, within thirty days of the issuance date and receive a full refund of the premium. Ms. Vickers contended that because the Appellant could return the policy in October 2025 and receive a refund, he had access to the \$26,000 paid for the policy and was therefore considered an asset.

Policy stipulates that to be counted as an asset, the asset must be owned by or available to the recipient for disposition. Additionally, an asset may be converted from one form to another by sale or exchange. When assets are converted, a determination is made if the result of the conversion is an excluded or non-excluded asset. The new or converted asset must be evaluated as any other asset to determine eligibility.

The single premium life insurance policy purchased by the Appellant in September 2025 was an excluded asset for LTC Medicaid as the policy had no cash surrender value. Pursuant to policy, if the Appellant converted the life insurance policy, by returning the policy for a full refund of the premium paid, the conversion of the life insurance policy to a liquid asset would be evaluated as a countable asset or an excluded asset. If the Appellant had returned the life insurance policy for a refund, the \$26,000 premium that was paid would have been counted as an asset. However, the Appellant did not return the life insurance policy within the thirty-day time frame indicated in the policy, which would have expired on October 26, 2025. The Respondent issued its notice of denial on November 5, 2025, after the thirty-day time frame had lapsed. There was no testimony or documentation provided that the Respondent confirmed with the Appellant or the life insurance company that the policy had been returned or was still in effect at the time the Appellant's LTC Medicaid application was processed.

Furthermore, policy does not distinguish life insurance policies separately from any other non-liquid asset regarding the potential for the conversion or sale of the asset. To count the life insurance policy as an asset based on the Appellant's potential to convert the policy to a liquid asset, when this stipulation is not placed on any other type of non-liquid asset, is not supported by policy and is prejudicial to the Appellant.

Whereas the Appellant's single premium life insurance policy is an excluded asset for LTC Medicaid and the policy can only be considered an asset if sold or converted, the Respondent's decision to deny LTC Medicaid benefits for October 2025 cannot be affirmed.

CONCLUSIONS OF LAW

- 1) If an excluded asset is converted or sold, the asset must be evaluated as a countable asset in determining eligibility for LTC Medicaid.
- 2) The Appellant's single premium life insurance policy is an excluded asset as it has no cash surrender value.
- 3) The Appellant did not sell or convert his life insurance policy.
- 4) The Respondent incorrectly counted the money spent to purchase the Appellant's single premium life insurance policy as a countable asset.
- 5) The Appellant's countable assets for October 2025 were \$1,573.49, below the \$2,000 asset limit for LTC Medicaid.

DECISION

It is the decision of the State Hearing Officer to **reverse** the decision of the Respondent to deny the Appellant Long Term Care Medicaid benefits for October 2025.

ENTERED this 16th day of December 2025.

Kristi Logan
Certified State Hearing Officer