December 10, 2025

[redacted]

RE: [redacted] v. WV DoHS BFA
ACTION NO.: 25-BOR-3255

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 people 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,

Amy Hayes
State Hearing Officer
Member, State Board of Review

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

cc: Kristyne Hoskins, Department Representative

WEST VIRGINIA OFFICE OF INSPECTOR GENERAL
BOARD OF REVIEW

[redacted]

Appellant,

v. **Action Number: 25-BOR-3255**

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 2, 2025.

The matter before the Hearing Officer arises from the November 1, 2025 decision by the Respondent to close Medicaid benefits.

At the hearing, the Respondent appeared by Kristyne Hoskins, Economic Service Worker Senior, West Virginia Department of Human Services (DoHS). The Appellant was self-represented. All witnesses were placed under oath and the following documents were admitted into evidence.

Department's Exhibits:

D-1 People's Access To Help application for renewal of Health Care (Medicaid and WVCHIP) submitted by [redacted] on September 19, 2025
D-2 Case comments screen prints dated January 6 through November 6, 2025
D-3 Notice from DoHS to [redacted] dated October 29, 2025
D-4 Income summary screen print for [redacted]
D-5 Medical Insurance Coverage screen print for [redacted]
D-6 Medical Insurance Coverage screen print for [redacted].
D-7 Medical Insurance Coverage screen print for [redacted]
D-8 Income Maintenance Manual Section 4.7.1.A through 4.7.4.B
D-9 Income Maintenance Manual Section 22.16.1 through 22.16.5

Appellant's Exhibits:

A-1 Paystub for [redacted] for Pay Period Beg/End: 10/05/2025 – 10/18/2025
A-2 Paystub for [redacted] for Pay Period Beg/End: 10/19/2025 – 11/01/2025
A-3 Paystub for [redacted] for Pay Period Beg/End: 11/02/2025 – 11/15/2025

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 was a recipient of Modified Adjusted Gross Income (MAGI) Medicaid benefits for an assistance group (AG) of four (4).

2) The Appellant is married to [redacted] who is employed full-time and whose employer offers private health insurance.

3) The Appellant and her husband have two minor children. [redacted] is eight (8) years old and [redacted] is thirteen (13) years old.

4) The gross earned income for the Appellant's household is $4,239.37 per month. (Exhibit D-3 and D-4)

5) The adults did not meet eligibility requirements for MAGI Medicaid as an Adult Group in November 2024, because the Respondent determined that the income of the AG was over the limit.

6) The children retained Medicaid coverage as a Children Under Age 19 Group for a 12-month Continuous Medicaid Eligibility period which ended on October 31, 2025.

7) In October 2025, the Appellant reported that all of the family members were covered by [redacted] PPO health insurance. (Exhibit D-5)

8) On October 29, 2025, the Respondent notified the Appellant that all of the household members were ineligible for Medicaid and/or WVCHIP effective November 1, 2025.

APPLICABLE POLICY

The Code of Federal Regulations, Title 42, Chapter IV, Subchapter C, Part 435, Subpart C describes Options for Coverage of Families and Children and the Aged, Blind, and Disabled, in pertinent part:

§ 435.217 Individuals receiving home and community-based services.

The agency may provide Medicaid to any group or groups of individuals in the community who meet the following requirements:
(a) The group would be eligible for Medicaid if institutionalized.
(b) In the absence of home and community-based services under a waiver granted under part 441—
(1) Subpart G of this subchapter, the group would otherwise require the level of care furnished in a hospital, NF, or an ICF/IID; or
(2) Subpart H of this subchapter, the group would otherwise require the level of care furnished in an NF and are age 65 or older.
(c) The group receives the waivered services.

West Virginia Income Maintenance Manual, Chapter 3 describes the eligibility determination groups for the MAGI Program, in pertinent part:

3.7.2 The MAGI Household Income Group (IG)
Income of each member of the individual's MAGI household is counted. The income group is determined using the MAGI methodology established in Section 3.7.3.

3.7.3 MAGI Household Needs Group
The needs group is the number of individuals included in the MAGI household size based upon the MAGI rules for counting household members.
To determine the MAGI household size, the following step-by-step methodology is used for each applicant.
For purposes of applying the MAGI methodology:
• Child means natural, adopted, or stepchild;
• Parent means natural, adopted, or stepparent;
• Sibling means natural, adopted, half, or stepsibling.
In the case of married couples who reside together, each spouse must be included in the MAGI household of the other spouse, regardless of whether they expect to file a joint tax return or whether one spouse expects to be claimed as a tax dependent by the other spouse.

West Virginia Income Maintenance Manual Chapter 4 Appendix A program income limits:

133% of the Federal Poverty Level (FPL) for a four-person assistance group: $3,564

West Virginia Income Maintenance Manual Chapter 10.7 explains specific MAGI Children under age 19 requirements, in pertinent part:

10.7 Children Under Age 19
Children under age 19 should not be closed unless one of the changes specified below affect the 12-month Continuous Medicaid Eligibility (CME) period for Children Under Age 19 coverage.

10.7.1 AG Closures

A child may be determined ineligible prior to the expiration of the 12-month CME period only if the child's payee requests closure or the child:

- Moves out of state
- Dies
- Was approved for Medicaid in error
- Was approved for Medicaid because of client misrepresentation
- Reaches age 19
    - o The child is eligible until the end of the month in which he reaches the age limit. A child who reaches age 19 on the first day of the month remains eligible until the end of that month.
    - o If a child is receiving inpatient services on the date, he would lose eligibility due to attainment of the maximum age, eligibility must continue until the end of that inpatient stay.
- Does not have verification of citizenship and/or identity after match with the FDH (refer to Section 6.3)
- Is approved for Supplemental Security Income (SSI) and is eligible for SSI Medicaid
- Is institutionalized

10.7.2 Change in Income

A change in income does not affect eligibility once the 12-month CME period is established. In addition, a reduction in the number of people included in the needs group (NG) of the child does not affect eligibility once the 12-month CME period has been established.

Change in Income Example: Jasmine, age 15, is approved for Medicaid in May 2015. In July, her mother changes jobs and the income of the family now exceeds the eligibility threshold. Jasmine's Medicaid eligibility continues through April 2016, even though income is excessive.

10.7.3 Other Changes

A change that is not specified above does not affect a child's 12-month CME period once it is established.

10.11.1 Change in Income

When a change in income is reported, eligibility for the AG must be re-evaluated. Changes include the onset or termination of income, as well as income increases and decreases. The reported change(s) may not result in any coverage change or may result in AG closure or the AG's eligibility for Transitional or Extended Medicaid. See Section 23.10.9 and 23.10.8.A for Transitional and Extended Medicaid. Advance notice is required for any adverse action and the AG must be evaluated for all other Medicaid coverage groups and West Virginia Children's Health Insurance Program (WVCHIP) prior to closure. See Section 10.7 for closures when a child in the family receives Medicaid and is eligible for Continuous Medicaid Eligibility (CME).

West Virginia Income Maintenance Manual Section 22.16.1 explains requirements for WVCHIP Children, in pertinent part:

22.16.1 Requirements for WVCHIP Children

Income: 150% of the FPL WVCHIP Gold
211% of the FPL WVCHIP Blue
300% of the FPL WVCHIP Premium
No Spenddown Provision

Assets: N/A

Individuals are eligible for WVCHIP when all the following conditions are met:

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.

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.

Bureau for Medical Services Provider Manual Chapter 502.14, describes the Children with Serious Emotional Disorder Waiver (CSEDW) Applicant Eligibility, in pertinent part:

502.14 CSEDW Applicant Eligibility

Eligibility for the CSEDW must be established prior to enrollment in the program and includes both medical and financial eligibility criteria. The applicant must:

- Meet the CSEDW medical eligibility
- Be at least three years through age 20 years
- Apply for or already be enrolled in West Virginia Medicaid at the time of eligibility or once the CSEDW Certificate of Approval is obtained
- Be a resident of West Virginia, even if presently living out of state in a facility, and be able to provide proof of residency upon waiver application
- Choose HCBS over services in an institutional setting
- Choose to enroll with the identified MCO
- Choose CSEDW over Assertive Community Treatment (when criteria are met)

The CSEDW medical eligibility is described in Section 502.14.1 Medical Eligibility. At the time of application review, the ASO determines if the applicant has active West Virginia Medicaid or will need to apply for Medicaid coverage.

Effective September 1, 2022, applicants who have an institutional Level of Care need and meet program medical eligibility requirements, but do not meet financial eligibility requirements, are able to utilize the special HCBS Waiver group (§435.217 Group) of the Social Security Act to enroll in West Virginia Medicaid for the duration of their enrollment in the CSEDW. Effective January 1, 2024, children/adolescents in the 217 Group are eligible for continuous Medicaid eligibility for 12 months from their last financial application or redetermination. Should their CSEDW enrollment terminate prior to the 12-month period, they will continue to be eligible in the 217 Group for non-CSEDW Medicaid covered services for the remainder of that 12-month period. Once a child/adolescent is

found medically eligible for the CSEDW, they or their legal guardian must return to the local county DoHS office with the letter of approval to apply for West Virginia Medicaid under the child/adolescent's income only. The ASO will follow up with the child/adolescent and/or family/legal guardian weekly to assist them.

DISCUSSION

The Appellant, her husband, and their two children, were part of a Modified Adjusted Gross Income (MAGI) Medicaid assistance group (AG). An AG is further subdivided into an income group and needs groups for determining eligibility. The needs groups for the Appellant's household included the two adults (the Adult Group) and the two children (Children Under Age 19 Group).

Policy stipulates that the income limit is 133% of the federal poverty level for the size of the AG, or $3,564 for a four-person AG. The Respondent terminated the Appellant's Adult Group Medicaid benefits when it was determined that the Appellant's household gross countable income of $4,239.37 exceeded the allowable income limit.

The Appellant did not refute the calculation of the gross countable income of her AG. The Respondent closed the Appellant's Adult Group Medicaid in November of 2024, when it determined that the income of the AG was over the limit. The Appellant did not contest the Respondent's decision to deny the Adult Group Medicaid. However, the Appellant's children were still covered by MAGI Medicaid as Children Under Age 19 Group.

Policy stipulates that Children Under Age 19 Medicaid Group should not be closed until a 12-month Continuous Medicaid Eligibility (CME) period expires. A change in income does not affect eligibility once the 12-month CME period is established. The Appellant's children began a 12-month CME period in November 2024, which was set to expire on October 31, 2025.

On September 19, 2025, the Appellant completed a renewal application for Medicaid for her children for the Children Under Age 19 Medicaid Group. In that application, the Appellant reported that the family was covered by health insurance offered through the Appellant's husband's employer. The Appellant testified that the children have had private health insurance since last November, when the adults' Adult Group Medicaid was closed.

The Respondent's representative Kristyne Hoskins testified that the children had CME Medicaid coverage for 12 months which ended on October 31, 2025. She testified that the Respondent was required to keep the Medicaid open for a consecutive 12 months for the children, because they were still in their CME, even if the AG was over the income limit and had private health insurance.

On October 29, 2025, the Respondent issued a notice to the Appellant that all the family members were ineligible for Medicaid and/or WVCHIP. The adults were not eligible as an Adult Group because the income was above the income limit for this type of assistance. The children were no longer eligible for Medicaid as a Children Under Age 19 Group because the CME period of 12 months had expired and the AG was over the income limit. When evaluating the children for

medical coverage, if the children are found ineligible for Medicaid based on the income limits, they are automatically evaluated for coverage under West Virginia Children's Health Insurance Program (WVCHIP) which has higher income limits for coverage. The children were determined to be ineligible for WVCHIP due to the family's reported private health insurance plan or non-excepted coverage.

The Appellant contests the denial of her children's application for Medicaid and/or WVCHIP. She testified that her children are part of a program called Children with Serious Emotional Disorders Waiver (CSEDW). CSEDW is a type of Home and Community Based Services Waiver (HCBS) described in the Bureau for Medical Services (BMS) Provider Manual.

BMS Policy states that applicants who have an institutional Level of Care need and meet program medical eligibility requirements for CSEDW, but do not meet financial eligibility requirements, are able to utilize the special HCBS Waiver group (§435.217 Group) of the Social Security Act to enroll in West Virginia Medicaid for the duration of their enrollment in the CSEDW.

It is unclear from the evidence what date the Appellant's children became medically eligible for CSEDW. On November 6, 2025, Respondent's case comments indicate that the Appellant told the Respondent's worker about the program. However, there is no evidence that the Appellant obtained the approval notice from BMS to provide to the local office. BMS Policy states that once a child/adolescent is found medically eligible for CSEDW benefits for families who are not financially eligible for Medicaid, they or their legal guardian must return to the local county DoHS office with the letter of approval to apply for West Virginia Medicaid under the child/adolescent's income only. Because there was no evidence that the Appellant provided a CSEDW approval notice from BMS to the local office, denial is based solely on the Medicaid and WVCHIP policy.

The Respondent correctly denied the Appellant's MAGI Medicaid for the Adult Group. The children may meet eligibility requirements for CSEDW once they have gone through the proper process.

CONCLUSIONS OF LAW

1) Eligibility for MAGI is based on income, and the Appellant's income of $4,239.37 exceeded the allowable income limit of $3,564 for a four-person AG.

2) The Appellant's children received Medicaid as a Children Under Age 19 Group until the expiration of a 12-month Continuous Medicaid Eligibility (CME) period, which was October 31, 2025.

3) After the expiration of the CME period, the Appellant's children were not eligible for Medicaid as a Children Under Age 19 Group because the AG was over the income limit.

4) After the expiration of the CME period and a determination that the Appellant's children were not eligible for Medicaid as a Children Under Age 19 Group, the Appellant's children were not eligible for WVCHIP due to non-excepted health insurance.

5) Based on Medicaid and WVCHIP policy, the Respondent correctly denied the Appellant's children's application for Medicaid and WVCHIP.

DECISION

It is the decision of the State Hearing Officer to **UPHOLD** the decision of the Respondent to deny the Medicaid and WVCHIP benefits for the Appellant's AG.

ENTERED this 10th day of December 2025.

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Amy Hayes
State Hearing Officer