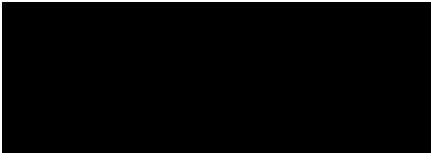




July 16, 2026



RE: [REDACTED] v. WV DoHS BFA
ACTION NO.: 26-BOR-2128

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: 26-BOR-2128

**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 July 7, 2026, on a timely appeal filed on June 15, 2026.

The matter before the Hearing Officer arises from the June 12, 2026 decision by the Respondent to disallow backdating of the Appellant's 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 PATH Application dated January 7, 2026
- D-2 Screen print of case comments for comment dated March 5, 2026
- D-3 Screen print of case comments for comments dated March 6, 2026, to June 4, 2026
- D-4 Screen Print of Medical Assistance Request dated April 1, 2026
- D-5 Screen print of case comments for comments dated June 12, 2026, to June 15, 2026
- D-6 Screen Print of Medical Assistance Request dated June 10, 2026.

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 Medicaid on January 7, 2026. (Exhibit D-1)
- 2) On the January 7, 2026 Medicaid application, the Appellant reported that he was 30 years old, lived with his mother and father, had no earned income, that his mother had earned income, his father had unearned income, and that he would be claimed as a tax dependent on his mother's tax return for the 2026 tax year. (Exhibit D-1)
- 3) On March 5, 2026, 57 days after the date of the application, the Respondent processed and denied the Appellant's application. The Respondent determined that the Appellant was not eligible for Modified Adjusted Gross Income (MAGI) Medicaid because the household's income exceeded the limit for eligibility. (Exhibit D-2)
- 4) On April 2, 2026, the Appellant applied for Medicaid again over the phone by calling in to the Respondent's call center. On this date, the Appellant reported that he would not be claimed as a tax dependent on his mother's 2026 tax return. (Exhibit D-3)
- 5) The Respondent's call center worker who took the Appellant's phone application on April 2, 2026, noted in the comments that "[REDACTED] declined backdating." (Exhibit D-3)
- 6) The Appellant's April 2, 2026 application for Medicaid was approved and his coverage was effective as of April 2026. (Exhibit D-3)
- 7) The Appellant had a previous medical insurance policy which he cancelled effective February 2026, and the Appellant was billed for medical expenses in February and March 2026.
- 8) The Appellant called the Respondent on May 18, 2026, because his doctor was trying to bill Medicaid for the Appellant's medical expenses in February and March 2026, but was denied. During this call, the Respondent's worker incorrectly noted in the case comments that the Appellant "cancelled his [previous] policy end dated 04/2026." (Exhibit D-3)
- 9) The Appellant called the Respondent on June 12, 2026, requesting to have his Medicaid coverage backdated to February 2026. The Respondent's worker informed him that, if he applied for Medicaid again on that date, coverage could be backdated for three months, which would go back to March 2026. The Appellant did not agree to reapply on June 12, 2026. (Exhibit D-5)
- 10) The Appellant requested a fair hearing on June 12, 2026, to appeal the Respondent's decision to disallow backdated Medicaid coverage to February 2026.

APPLICABLE POLICY

West Virginia Income Maintenance Manual, Section 1.6.6 describes the Medicaid Application Process, in pertinent part:

1.6.6 Agency Delays

If the Department simply failed to act promptly on the information already received, benefits are retroactive to the date eligibility would have been established had the Department acted in a timely manner.

The Medicaid client may be eligible to receive direct reimbursement for out-of-pocket medical expenses if the Department has not acted on the application within a reasonable period of time and the delay is not due to factors beyond the control of the Department. See Chapter 10.

1.6.6.A Documenting Reason for Delay

To document the reason for any delay in processing a Medicaid application, the Worker must record in comments:

- All actions taken in processing the application; and,
- The results of required case reviews.

The instructions for these procedures are found below.

A rebuttable presumption that the application was not acted on within a reasonable period of time exists when conditions such as, but not limited to, are met:

- Proper documentation, as shown below, which establishes that delay is due exclusively to factors beyond the control of the Department, is not in the case record.
- Documentation for the required case review is not in the case record.

This presumption may be rebutted only by clear and convincing evidence that all necessary actions by the Department for processing the application were undertaken in a timely fashion. This presumption may not be rebutted solely by the testimony of a Worker who failed to meet the documentation requirements.

West Virginia Income Maintenance Manual, Section 1.8 describes the Time Limits for Eligibility in the MAGI Adult Group, in pertinent part:

1.8.3 Agency Time Limits

Eligibility system action must be taken to approve, deny or withdraw the application within 30 days of the date of application.

1.8.5 Beginning Date Of Eligibility

Eligibility begins the first day of the month in which eligibility is established. Eligibility may be backdated up to three months prior to the month of the application, when the client met all eligibility requirements in the prior month(s).

West Virginia Income Maintenance Manual, Chapter 3 describes Eligibility for Medicaid, in pertinent part (emphasis added):

3.5 Medicaid – General Eligibility

The Medicaid assistance group (AG) is composed of the individual(s) who meet(s) the eligibility requirements for coverage under a specific Medicaid coverage group. However, the income of the AG does not determine financial eligibility for all coverage groups. Some coverage groups require the determination of an income group (IG) to determine countable income and a needs group (NG) for comparison to the appropriate needs standard to determine financial eligibility.

The case in which the AG member(s) receives coverage may be composed of eligible AG members of one or more coverage groups.

The AG, IG, and NG information for all of these groups is found in the following sections. For more information regarding Medicaid eligibility groups, see Chapter 23.

3.7 Adult Group

The Patient Protection and Affordable Care Act, 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 established the categorically mandatory coverage group known as the Adult Group. Effective January 1, 2014, Medicaid coverage is provided to individuals age 19 or older and under age 65 who are not otherwise eligible for and enrolled in another categorically mandatory Medicaid coverage group, and are not entitled to or enrolled in Medicare Part A or B.

Eligibility for this group is determined using Modified Adjusted Gross Income (MAGI) methodologies established in Section 4.7.

3.7.1 The Assistance Group (AG)

3.7.1.A Who Must Be Included?

Adults age 19 or older and under age 65.

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 The MAGI Household Needs Group (NG)

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.

The MAGI household of the pregnant woman also includes her unborn child(ren).

This methodology must be applied to each applicant in the MAGI household separately:

STEP 1: IS THE APPLICANT A TAX FILER (and will NOT be claimed as a tax dependent)?

IF NO: Move to **STEP 2**.

IF YES: The applicant's MAGI household includes themselves, each individual he expects to claim as a tax dependent, and his spouse if residing with the tax filer. This is known as the tax filer rule.

STEP 2: IS THE APPLICANT CLAIMED AS A TAX DEPENDENT ON SOMEONE ELSE'S TAXES?

IF NO: Move to **STEP 3**.

IF YES: Test against the three exceptions below. If the answer to any of these exceptions is 'yes', then the applicant's MAGI household size must be calculated using **STEP 3**.

1. The applicant is claimed as a dependent by someone other than a spouse or parent.
2. The applicant is a child under 19 who lives with both parents, but both parents do not expect to file taxes jointly.
3. The applicant is a child under 19 who is claimed as a tax dependent to a non-custodial parent(s).

If none of these exceptions are true, then the applicant's Medicaid household consists of the applicant, the tax filer claiming him as a dependent, this could be two people filing jointly, any other dependents in the tax filer's household, and the applicant's spouse if they reside together. This is known as the tax dependent rule.

STEP 3: IF THE APPLICANT IS NOT A TAX FILER, IS NOT CLAIMED AS A TAX DEPENDENT OR MEETS ONE OF THE EXCEPTIONS IN STEP 2:

The Medicaid household consists of the applicant and the following individuals as long as they reside with the applicant:

- The applicant's spouse;
- The applicant's child(ren) under age 19;
- For applicants under 19, their parents, and their siblings who are also under 19.

This is known as the non-filer rule.

STEP 4: CASES WHERE APPLICANT CANNOT REASONABLY ESTABLISH TAX DEPENDENT STATUS

If an applicant/tax filer cannot reasonably establish that reported household members will be tax dependents of the applicant for the tax year in which Medicaid is sought, the inclusion of such individual in the MAGI household of the tax filer is determined using rules in **STEP 3**.

West Virginia Income Maintenance Manual, Section 4.7 describes who is counted as part of the Medicaid eligibility group and how their income is counted, in pertinent part:

4.7 MAGI Methodology – Parents/Caretaker Relatives; Pregnant Women; Children Under Age 19, And Adult Group (Categorically Needy, Mandatory)

The Modified Adjusted Gross Income (MAGI) methodology is used to determine financial eligibility for the following Medicaid eligibility groups:

- Parents and Other Caretaker Relatives
- Pregnant Women
- Children Under 19
- Adult Group

4.7.1 Determining Income Counted For The MAGI Household

Income of each member of the individual's MAGI household is counted. The MAGI household is determined using the MAGI methodology established in Chapter 3.

4.7.2 Calculating MAGI (What Income Is Counted)

MAGI-based income includes:

- Adjusted gross income (taxable income less deductions/adjustments), excluding:
 - o Certain taxable American Indian/Alaska Native income
 - o Taxable scholarships/awards used for educational purposes
- Non-taxable Social Security benefits
- Tax-exempt interest
- Foreign earned income

To calculate the MAGI, determine the adjusted gross income amount for each member of the MAGI household whose income will count, for the current month. The MAGI differs from the adjusted gross income, because MAGI accounts for additions and adjustments. The Worker uses the budgeting method established in Section 4.6.1, Budgeting Method, to anticipate future income amounts, consider past income sources, and build monthly income amounts based upon the applicant's reported income.

West Virginia Income Maintenance Manual, Section 4.6.1.E.2 describes how income is calculated for Medicaid applications when backdating is requested, in pertinent part:

4.6.1.E.2 Backdated Eligibility Requested

When backdated Medicaid eligibility is requested, the actual income received in the month(s) prior to the month of application is used to determine eligibility. Income for the month of application and any months thereafter is determined according to the policy in items A – D above.

DISCUSSION

The Appellant appealed the determination by the Respondent that his Modified Adjusted Gross Income (MAGI) Medicaid benefits would not be backdated. The Appellant first applied for Medicaid on January 7, 2026, and his application was denied. The Appellant applied for Medicaid again on April 2, 2026, and his application was approved. However, the Appellant contends that his coverage should have been backdated to February 2026. The Respondent bears the burden of proof and must show by a preponderance of the evidence that it correctly determined the Appellant's eligibility and correctly denied the backdating of the Appellant's coverage.

Denial of the January 7, 2026 Medicaid Application

The Respondent's witness, Kristyne Hoskins (hereinafter Ms. Hoskins), testified that the Appellant's January 7, 2026 application for MAGI Medicaid was denied because the household was determined to be over income. On his January 7, 2026 application, the Appellant reported that he would be claimed as a tax dependent on his mother's 2026 tax return.

The West Virginia Income Maintenance Manual (IMM) is the Respondent's written policy which describes how the various Medicaid programs are administered. The IMM states that, for determining MAGI eligibility, income of each member of the individual's MAGI household is counted. Policy also states that an applicant's Medicaid household consists of the applicant, the tax filer claiming him as a dependent, and any other dependents in the tax filer's household, if the applicant is claimed as a tax dependent on someone else's taxes who is his parent and the applicant is not a child under 19. This is known as the tax dependent rule.

The preponderance of the evidence showed that the Appellant's report of being claimed as a tax dependent on his mother's tax return caused the Respondent to correctly include the income of the Appellant's parents when determining the Appellant's household's income eligibility for MAGI Medicaid. The application indicated that the Appellant lived with his mother and father, that he had no income, that his mother had earned income, and that his father had unearned income. The household's income exceeded the MAGI income limit when the income of all household members was counted, and the Appellant did not meet eligibility requirements at that time. The preponderance of the evidence showed that the Appellant's January application could not be approved, and this action of the Respondent is affirmed.

The Appellant contends that the Respondent erred because a determination on his January 7, 2026 application was delayed. The Appellant's January application for Medicaid was not processed by

the Respondent until March 5, 2026, which was more than 30 days after the application date. Policy states that eligibility system action must be taken to approve, deny or withdraw a Medicaid application within 30 days of the date of application. Policy also requires the Respondent to document the reason for any delay in processing a Medicaid application and record the reasons in the comments. Ms. Hoskins testified that the Appellant's application was not processed in a timely manner because there was a backlog of cases.

The preponderance of the evidence showed that the Respondent delayed in processing the Appellant's application and did not document the reasons for the delay as required by policy. However, no relief for a delay is available unless the applicant's delayed application establishes eligibility. Although the delay was unfortunate, because the Appellant's January application did not establish his eligibility for Medicaid in January, no relief can be granted.

Approval of the April 2, 2026 Medicaid Application

Ms. Hoskins testified that the Appellant applied for Medicaid again over the phone on April 2, 2026, and reported that he would not be claimed as a tax dependent on his mother's tax return. The Appellant testified that his previous report that he would be claimed as a tax dependent was a mistake. The Appellant affirmed that the information he reported on the April 2, 2026 Medicaid application was accurate. The preponderance of the evidence showed that the Appellant will not be claimed as a tax dependent on his mother's tax return for tax year 2026.

Policy states that the household of a MAGI Medicaid applicant who is a tax filer includes himself, each individual he expects to claim as a tax dependent, and his spouse if residing with the tax filer. This is known as the tax filer rule. The preponderance of the evidence showed that the Respondent correctly determined that the Appellant was eligible for MAGI Medicaid, after the Appellant reported in April 2026 that he would be a tax filer, and his parents' income was no longer counted in his household. The Respondent's action in approving the April 2026 Medicaid application is affirmed.

Backdating

The Appellant did not request his Medicaid coverage to be backdated on his January 7, 2026 application for Medicaid. The Appellant testified that this was because he had a previous policy through the marketplace which ended after January 2026, and he did not need medical insurance coverage until February 2026. When the Appellant applied again for Medicaid on April 2, 2026, he did so over the phone by calling the Respondent's call center. Ms. Hoskins presented the Respondent's case comments, in which a worker noted that the Appellant declined backdating during his April 2026 phone application process.

Policy states that Medicaid eligibility may be backdated up to three months prior to the month of the application, when the client met all eligibility requirements in the prior month(s). When backdated Medicaid eligibility is requested, the actual income received in the month(s) prior to the month of application is used to determine eligibility.

The Appellant testified that he did not remember declining backdated coverage during the April call. He stated that he could not imagine that he would decline backdating, when he knew that he had cancelled his previous medical insurance coverage after January 2026, and needed coverage

beginning February 2026. The Appellant argued that, on March 6, 2026, when he was notified that his January application was denied and decided to reapply, he knew that backdated coverage was an option. He explained that he assumed his coverage would be backdated three months prior to approval, and that his conversations with the Respondent's workers made him think his coverage had been backdated. The credible testimony of the Appellant showed that he wanted to have his Medicaid coverage begin as of February 2026.

The information the Respondent presented regarding the April call was case comments entered by a call center worker. The Respondent did not present the testimony of the worker who spoke with the Appellant on April 2, 2026. The Appellant's testimony regarding his request for backdating was given greater weight, because the Appellant showed by a preponderance of the evidence that his intention was to have his Medicaid coverage begin as of February 2026, and that he did not decline backdating.

For the reasons stated above, the Appellant credibly testified that he expected and intended for his Medicaid coverage to be backdated from the time of the approval of his April 2026 Medicaid application, and for coverage to begin as of February 2026. The Appellant's MAGI Medicaid coverage shall be backdated to February 2026, two months prior to the April 2026 application approval, if the Appellant was otherwise eligible during that time.

CONCLUSIONS OF LAW

- 1) Eligibility for Modified Adjusted Gross Income (MAGI) Medicaid is based on income, and an applicant who will be claimed as a tax dependent, subject to certain exceptions, is considered to be in a household with the tax filer who will claim him as a dependent.
- 2) The Appellant reported that he would be claimed as a tax dependent on his mother's 2026 tax return when he applied for Medicaid on January 7, 2026, and the application was denied because the income of his household, including his parents' earned and unearned income, was above the income limit for MAGI Medicaid.
- 3) The Appellant applied for Medicaid again on April 2, 2026, and reported that he would not be claimed as a tax dependent, and his application was approved, with coverage beginning April 2026.
- 4) Eligibility for MAGI Medicaid may be backdated up to three months prior to the month of the application, when the client met all eligibility requirements in the prior month(s), and the preponderance of the evidence showed that the Appellant did not decline backdating when he completed his April 2, 2026 application.

DECISION

It is the decision of the State Hearing Officer to **UPHOLD** the action of the Respondent to approve the Appellant's April 2026 Medicaid application. The case is **REMANDED** for the Respondent to determine financial eligibility for backdated coverage to February 2026, and to backdate the Appellant's coverage if he met eligibility requirements.

ENTERED this 16th day of July 2026.

Amy Hayes
State Hearing Officer
Member, State Board of Review