



May 2, 2024

[REDACTED]

RE: [REDACTED] v. WVDoHS  
ACTION NO.: 24-BOR-1569

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 assure 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: Carla Marsh, WVDoHS

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

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**Appellant,**

v.

**Action Number: 24-BOR-1569**

**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 May 1, 2024.

The matter before the Hearing Officer arises from the February 15, 2024, decision by the Respondent to terminate Adult Medicaid benefits effective March 2024.

At the hearing, the Respondent appeared by Carla Marsh, Economic Service Worker Senior, WVDoHS. The Appellant appeared *pro se*. All witnesses were sworn, and the following documents were admitted into evidence.

**Department's Exhibits:**

- D-1 Pay stubs from ██████████ dated December 15, 2023, and December 29, 2023
- D-2 West Virginia Income Maintenance Manual Chapter 4.6.1.D
- D-3 West Virginia Income Maintenance Manual Chapter 23.10.4
- D-4 West Virginia Income Maintenance Manual Chapter 4, Appendix A
- D-5 Notice of Decision dated February 15, 2024

**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 was a recipient of Modified Adjusted Gross Income (MAGI) Adult Medicaid benefits.
- 2) The Appellant submitted a Low-Income Energy Assistance Program (LIEAP) application to the Respondent.
- 3) The Appellant verified earned income for the LIEAP application with two pay stubs from [REDACTED] for the pay dates of December 15, 2023, and December 29, 2023 (Exhibit D-1).
- 4) The Appellant is paid bi-weekly.
- 5) The Respondent used the bi-weekly pay multiplier of 2.15 to calculate the Appellant's gross income as \$1,911.92 per month.
- 6) The Appellant's Medicaid eligibility is based on a one-person Assistance Group.
- 7) The gross income limit for a one-person MAGI Assistance Group is \$1,670 per month (133% of the Federal Poverty Level) (Exhibits D-3 and D-4).
- 8) The Respondent sent the Appellant a Notice on February 15, 2024, indicating that his income is excessive for Adult Medicaid and that benefits would stop effective March 2024 (Exhibit D-5).

### **APPLICABLE POLICY**

Code of Federal Regulations 42 CFR 435.119 provides the following information concerning Adult Medicaid coverage:

#### **Coverage for individuals age 19 or older and under age 65 at or below 133 percent FPL.**

(a) ***Basis.*** This section implements section 1902(a)(10)(A)(i)(VIII) of the Act.

(b) ***Eligibility.*** Effective January 1, 2014, the agency must provide Medicaid to individuals who:

- (1) Are age 19 or older and under age 65;

- (2) Are not pregnant;
- (3) Are not entitled to or enrolled for Medicare benefits under part A or B of title XVIII of the Act;
- (4) Are not otherwise eligible for and enrolled for mandatory coverage under a State's Medicaid State plan in accordance with [subpart B of this part](#); and
- (5) Have household income that is at or below 133 percent FPL for the applicable family size.

West Virginia Income Maintenance Manual Chapter 23.10.4 (Exhibit D-3) states, in pertinent part:

As a result of the Affordable Care Act (ACA), the Adult Group was created, effective January 1, 2014. Eligibility for this group is determined using MAGI methodologies established in Section 4.7. Medicaid coverage in the Adult Group is provided to individuals who are aged 19 or older and under age 65.

To be eligible for the Adult Group, income must be equal to or below 133% of the Federal Poverty Level (FPL).

West Virginia Income Maintenance Manual Chapter 3.7.3 states, in pertinent part:

The needs group is the number of individuals included in the Modified Adjusted Gross Income (MAGI) household size based upon the MAGI rules for counting household members.

West Virginia Income Maintenance Manual Chapter 4.7.2 states that eligibility for the MAGI coverage group is determined by using the adjusted gross income (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 Chapter 4.7.3 states that the only allowable income disregard is an amount equivalent to five percentage points of 100% of the Federal Poverty Level (FPL) for the applicable MAGI household size. The 5% FPL disregard is not applied to every MAGI eligibility determination and should not be used to determine the MAGI coverage group for which an individual may be eligible. The 5% FPL disregard will be applied to the highest MAGI income limit for which an individual may be determined eligible.

West Virginia Income Maintenance Manual Chapter 4.6.1.D (Exhibit D-2) states that conversion of income to a monthly amount is accomplished by multiplying an actual or average amount as

follows: • Weekly amount x 4.3 • Bi-weekly amount (every two weeks) x 2.15 • Semi-monthly (twice/month) x 2.

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 (Exhibit D-4) states that the income limit for a one-person MAGI Medicaid Assistance Group is \$1,670 (133% of the Federal Poverty Level).

West Virginia Income Maintenance Manual Chapter 10.8.1 states that 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 eligibility change, or they may result in AG closure. Advance notice is required for any adverse action, and the AG must be evaluated for all other Medicaid coverage groups and the West Virginia Children's Health Insurance Program (WVCHIP) prior to closure.

## **DISCUSSION**

Policy states that to be eligible for the MAGI Adult Medicaid Group, income must be equal to or below 133% of the Federal Poverty Level for the Needs Group size.

The Appellant did not dispute the Respondent's calculation of income during the hearing. The Appellant testified that he appealed the Medicaid termination because he must see a physician for heart issues and is also participating in a sober living program. As a result, the Appellant stated that his medical expenses are costly. The Respondent's witness explained the process for applying for Medicaid based on disability.

As the Appellant's household income exceeds the income limit for a one-person MAGI Assistance Group, the Respondent's decision to terminate Medicaid benefits based on excessive income is affirmed.

### **CONCLUSIONS OF LAW**

- 1) The Appellant's MAGI Adult Medicaid benefits were terminated effective March 2024 based on excessive income.
- 2) The Appellant's gross monthly household income is \$1,911 per month.
- 3) The income limit for a one-person Assistance Group for MAGI Adult Medicaid is \$1,670 per month.
- 4) As the Appellant's monthly household income exceeds the income limit for the MAGI Adult Medicaid Program, the Respondent's decision to terminate Medicaid benefits based on excessive income is affirmed.

### **DECISION**

It is the decision of the State Hearing Officer to **UPHOLD** the Respondent's action to terminate MAGI Adult Medicaid benefits effective March 2024.

**ENTERED this 2nd day of May 2024**

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**Pamela L. Hinzman  
State Hearing Officer**