



September 17, 2024

[REDACTED]

RE: [REDACTED] v. WVDoHS
ACTION NO.: 24-BOR-2730

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,

Todd Thornton
State Hearing Officer
Member, State Board of Review

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

cc: Kara Pendleton, Department Representative

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

██████████,

Appellant,

v.

Action Number: 24-BOR-2730

**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 Office of Inspector General Common Chapters Manual. This fair hearing was convened on August 15, 2024, upon a timely appeal filed on July 15, 2024.

The matter before the Hearing Officer arises from the July 5, 2024 decision by the Respondent to deny Medicaid benefits due to excessive income.

At the hearing, the Respondent appeared by Kara Pendleton. The Appellant appeared pro se. All witnesses were sworn and the following documents were admitted into evidence.

Department's Exhibits:

- D-1 Case comments (screen prints) from the Respondent's data system regarding the Appellant, entries dated May 31, 2024, through August 5, 2024
- D-2 Employment Income (screen prints) from the Respondent's data system regarding the Appellant; Unearned Income (screen prints) from the Respondent's data system regarding the Appellant
- D-3 MAGI Medicaid Income Budget (screen prints) from the Respondent's data system regarding the Appellant

- D-4 Notice of decision, dated July 5, 2024
- D-5 Income Summary (screen prints) from the Respondent's data system regarding the Appellant
- D-6 Income Summary (screen prints) from the Respondent's data system regarding the Appellant
- D-7 West Virginia Income Maintenance Manual, Chapter 4, Appendix A

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 July 3, 2024. (Exhibit D-1)
- 2) The Appellant applied for Modified Adjusted Gross Income (MAGI) Medicaid under the Adult Group, for a one-person household.
- 3) The Appellant did not qualify for consideration under other MAGI Medicaid eligibility groups (Parents/Caretaker Relatives, Pregnant Women, or Children under age 19).
- 4) The Appellant reported "...she is employed part time with [REDACTED] she is paid \$14.50 an hour and works 25 hours a week and his [sic] paid bi-weekly..." (Exhibit D-1)
- 5) The Respondent noted on July 3, 2024, that the Appellant's "...gross income is \$1558.75; she also receives \$309 in widows [sic] benefits; total monthly gross income \$1867.75; MGAD [Adult Group MAGI Medicaid] fails due to income." (Exhibit D-1)
- 6) The Respondent noted on July 18, 2024, that the Appellant's unearned income was corrected from \$309 to \$304, using the Respondent's data exchange with the Social Security Administration. (Exhibit D-1)
- 7) The Respondent mailed the Appellant a notice (Exhibit D-4) dated July 5, 2024 (Exhibit D-4), advising the Appellant that her Medicaid application was denied because "Your income is above the income limit for this type of assistance."

- 8) The Appellant's corrected gross income was \$1862.75.
- 9) The Appellant's gross income exceeded 133% of the Federal Poverty Level (FPL), the income limit for Adult Group MAGI Medicaid.
- 10) The Appellant's gross income (\$1862.75) divided by 100% of the FPL (\$1255) equals 148.43%.
- 11) The Appellant's gross income expressed as a percentage of the FPL (148.43%), minus the 5% MAGI-Based Income Disregard produces a result (143.43%) that also exceeded 133% of the FPL.

APPLICABLE POLICY

West Virginia Income Maintenance Manual § 4.7 documents in pertinent part:

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

...

West Virginia Income Maintenance Manual § 4.7.1 documents in pertinent part:

Income of each member of the individual's MAGI household is counted...

West Virginia Income Maintenance Manual § 4.7.3 addresses the MAGI-Based Income Disregard, and provides:

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 § 4.7.4 addresses the income eligibility determination process for MAGI Medicaid eligibility groups, and provides:

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 § 23.10.4 notes the income limit for Adult Group MAGI Medicaid is 133% FPL.

West Virginia Income Maintenance Manual, Chapter 4, Appendix A, lists 133% FPL as \$1670 for one person, and 100% FPL as \$1255 for one person.

DISCUSSION

The Appellant requested a fair hearing to appeal the Respondent's denial of her Medicaid application due to excessive income. The Respondent must prove, by a preponderance of the evidence, that it correctly denied the Appellant's application on this basis.

The Appellant applied for Medicaid on July 3, 2024. She reported her hourly wage and weekly hours, and the Respondent converted these amounts into a monthly earned income amount of \$1558.75. In addition to earned income, the Appellant received Social Security benefits. The Respondent initially counted this Social Security income as \$309 monthly but corrected the amount by verifying it (through a data exchange with the Social Security Administration) as \$304 monthly. The Appellant's gross monthly income, for MAGI Medicaid purposes, was \$1862.75.

The Appellant was considered for the Adult Group MAGI Medicaid eligibility group. There was no evidence or testimony to suggest that the Appellant could have been considered for the other MAGI Medicaid eligibility groups (Parents/Caretaker Relatives, Pregnant Women, or Children under age 19). The income limit for the Adult Group MAGI Medicaid group is 133% of the FPL, or \$1670. The Appellant's income exceeds this limit.

A 5% income disregard is given for MAGI Medicaid groups. The Appellant's income is first expressed as a percentage of the FPL by dividing her monthly gross income (\$1862.75) by 100% FPL (\$1255). Five percentage points are subtracted from this amount (148.43%) to arrive at 143.43%, which is compared to the limit for the sole MAGI Medicaid eligibility group for which the Appellant could be considered – the Adult Group (133% FPL, \$1670). The Appellant remains over the income limit after applying this income disregard.

The Appellant reported that she did not work at one of the employers (WV Choice) that the Respondent initially counted in their earned income calculations. The income from this employer was not considered in the calculations shown above, and the Appellant remains over the limit for Adult Group MAGI Medicaid.

Based on the reliable testimony and evidence presented at hearing, the Respondent correctly determined that the Appellant had excessive income for the sole MAGI Medicaid eligibility group for which she could be considered.

CONCLUSIONS OF LAW

- 1) Because the Appellant's gross monthly income exceeds the Adult Group MAGI Medicaid income limit, the Appellant is not eligible for Adult Group MAGI Medicaid.
- 2) Because the Appellant cannot be considered for any other MAGI Medicaid eligibility groups, and because her gross monthly income – when expressed as a percentage of the FPL and reduced by the 5% MAGI income disregard – still exceeds the Adult Group MAGI Medicaid income limit, the Respondent must deny her Medicaid application for excessive income.

DECISION

It is the decision of the State Hearing Officer to **UPHOLD** the decision of the Respondent to deny the Appellant's Medicaid application due to excessive income.

ENTERED this _____ day of September 2024.

**Todd Thornton
State Hearing Officer**