

7.14 SPECIFIC WV CHIP REQUIREMENTS

The information in this Section parallels the information in Chapter 16, which contains the requirements specific to Medicaid. Item A describes the criteria for WV CHIP children. Sections B and C describe the similarities and differences between requirements for WV CHIP and other Medicaid coverage groups.

A. REQUIREMENTS FOR WV CHIP CHILDREN

Income: 200% FPL

Assets: N/A

No Spenddown Provision

NOTE: If a child is receiving inpatient services on the date he would lose eligibility due to reaching the maximum age, eligibility must continue until the end of that inpatient stay.

A child is eligible as a WV CHIP child, when all of the following conditions are met:

- The child is not yet age 19, regardless of school attendance or course completion date. Emancipation of the child, by marriage or other means, does not impact eligibility as long as the individual falls in the eligible age range. A child does not lose WV CHIP eligibility due to reaching age 19 until the end of the month in which he attains that age. A child who attains age 19 on the first day of the month retains eligibility until the end of that month.
- Countable family income, determined according to Section 7.10, is equal to or less than 200% FPL. See Appendix A of Chapter 10 for the maximum income limits.
- The child is not an inmate of a public institution.
- The child is not a patient in an institution for mental diseases.
- The child meets the Medicaid citizenship and alienage requirements found in Chapter 18.
- At the time of application or redetermination, the child is not eligible for any Medicaid coverage group. The child, the parent(s), or other adult with whom the child lives may choose for the child to receive WV CHIP instead of Medicaid. However, the child/parent(s)/adult(s) may choose at any time to refuse Medicaid coverage.

- The child is not eligible for a state group health plan based on a family member's employment with a public agency. This includes, but is not limited to, county and municipal employees and school board employees. This requirement is based on eligibility for such coverage, not on the receipt of it. PEIA, including HMO coverage, is a state group health plan, so the children of WV State employees are not eligible for WV CHIP.
- The child does not have individual or group health insurance coverage. See "Definitions" section at the beginning of this Chapter for information related to this provision. Most children with health coverage will not qualify for WV CHIP.

NOTE: A child who starts receiving health insurance coverage after WV CHIP approval loses WV CHIP coverage prior to the expiration of the current 12-month continuous eligibility period.

- An SSN is provided for the WV CHIP child. When the SSN is not provided, but the child is otherwise eligible, the application is approved, and the SSN is entered when obtained.
- Individual or group health insurance coverage (See "Definitions" section at the beginning of this Chapter) for the child has not been voluntarily terminated, without good cause, in the month of application or in the 6-month period immediately preceding the month of application. Policy and procedures for determining good cause for terminating health insurance coverage are found in Item D below.

NOTE: Failure to accept available health insurance coverage does not affect WV CHIP eligibility except for public employees who are receiving or eligible to enroll in PEIA. This requirement is concerned only with those persons who drop out of an existing program.

A WV CHIP child must not be required to have an AFDC Medicaid deprivation factor or to live with a specified relative. There is no asset test for such children.

B. MEDICAID REQUIREMENTS APPLICABLE TO WV CHIP

The policy listed below is the same for WV CHIP as for Qualified and Poverty-Level children.

Consideration for all Medicaid groups must be made prior to closure of WV CHIP. See Section 16.3,A

C. MEDICAID REQUIREMENTS THAT ARE DIFFERENT FOR WV CHIP

The policies listed below do not apply to WV CHIP or there is a difference in application of the policy.

1. Special Drug Approval

This does not apply to WV CHIP.

2. Relationship with CSHCN

This does not apply to WV CHIP.

3. Assignment of Medical Support Rights

There is no requirement for the family to assign medical support rights to the Department.

4. Certificate of Coverage When WV CHIP Coverage Ends

The Worker is not required to issue an OFS-HIP-1 to the family. This is a PEIA responsibility.

5. Child Support Requirements

WV CHIP children are not referred to BCSE and are not required to pursue or accept child/spousal support as a condition of eligibility. However, the Worker must explain the availability of child support services. The RAPIDS automatic referral to BCSE is blocked for WV CHIP children.

6. Backdating Coverage

The policy which allows Medicaid coverage to be backdated up to 3 months prior to the date of application does not apply to WV CHIP benefits.

There are 4 situations which require the Worker to backdate WV CHIP coverage. These are as follows:

- Failure of the Worker to approve a complete application within 13 days of receipt and the delay results in a loss of coverage; or
- Failure of the Worker to request additional information in a timely manner and the delay results in a loss of coverage; or
- The client applies and/or establishes eligibility too late in the month for the Worker to approve coverage beginning the 1st of the following month; or
- The only Medicaid coverage group for which the child may be eligible requires that a spenddown be met. If the child does not meet his spenddown during the 30-day period for doing so, but is WV CHIP eligible, the beginning date of WV CHIP eligibility must be based on the date that all information necessary to establish WV CHIP eligibility was provided. See item A above for more detail.

EXAMPLE: On March 10th a child's family applies for Medicaid. Based on the information provided, the family is not eligible for any Medicaid coverage group except AFDC-Related Medicaid. All verification and information to determine eligibility is provided by the client on March 15th. There is a \$3,000 spenddown. By April 10th the family must provide paid or unpaid medical bills equal to or greater than \$3,000 to be Medicaid eligible. The parents provide \$2,345 in bills by April 10th and fail to establish Medicaid financial eligibility. However, the child meets the requirements for WV CHIP. Eligibility for WV CHIP begins April 1st, since all the verification and information needed to determine eligibility was provided on March 15th and the child met the WV CHIP eligibility requirements at that time.

7. Relationship Between WV CHIP and Medicaid Coverage Groups

All Medicaid coverage groups are classified as either Categorically Needy or Medically Needy. See Section 16.4. WV CHIP is not Categorically Needy or Medically Needy because the coverage is not provided under Medicaid.

8. Long-Term Care

If the child requires long-term care services, and qualifies for ICF/MR, HCB Waiver, CDCS, or MR/DD Waiver coverage

groups, the child is Medicaid eligible and the caretaker must be notified.

Since WV CHIP is not a Medicaid coverage group, receipt of WV CHIP does not qualify an individual for Medicaid payment of nursing facility services.

D. GOOD CAUSE FOR TERMINATING HEALTH NON-EXCEPTED INSURANCE COVERAGE

This section outlines basic criteria for determining if good cause exists for dropping the child's current non-excepted health insurance coverage. A child is ineligible for WV CHIP so long as he has full-coverage health insurance. When it is determined the applicant has good cause, WV CHIP eligibility may begin effective the first day of the month following termination of the health insurance coverage.

1. Determining Excessive Cost of Family Coverage For Good Cause

Good cause for terminating non-excepted health insurance coverage exists when the annual cost of the family coverage is 10% or more of the family's total gross annual income. The total cost of family coverage includes basic coverage and any optional dental or optical coverage, even when paid separately from the basic coverage. When a good cause determination is being made under this criteria, special application processing procedures may apply. See Section 7.2,F.

a. Definition of Family

NOTE: This determination is for purposes of this good cause determination only.
The family includes:

- S The mother or stepmother of the WV CHIP child, if living in the home with the child
- The legal father or stepfather of the WV CHIP child, if living in the home with the child
- The WV CHIP child
- The legal spouse of the WV CHIP child, if living in the home with the child

- The WV CHIP child's blood-related or adopted siblings who are under age 19.

b. Client's Responsibilities

When the client requests eligibility consideration under this good cause criteria, he must provide the Worker with the family income and health insurance cost information necessary for the Worker to make the determination.

When the client is informed that he is otherwise eligible except for health insurance coverage, he must provide verification of the termination of the coverage and the effective end date of the coverage.

c. Worker's Responsibilities

When the Worker receives an application showing that the family has non-excepted health insurance, he must:

- S Consider the application to be a request for eligibility consideration under this good cause criteria
- S If not already provided, request information necessary to make this determination.
- S Determine if the client is otherwise eligible for WV CHIP, except for having current non-excepted health insurance coverage.
- S Determine by the steps outlined in item d below if the family's annual health insurance cost equals or exceeds 10% of his family's gross non-excluded annual income.
- S Inform the client in writing whether or not he is otherwise eligible for WV CHIP except for the non-excepted health insurance coverage.
- S Inform the client that WV CHIP coverage is continuous for 12 months and if their income increases there is a possibility the child
- S may not be eligible at redetermination.
- S Advise the client that it is his decision whether or not to drop the health insurance for WV CHIP

and that WV CHIP coverage begins only after the health insurance coverage ends.

c. Procedure for Determining if the Criteria is Met

Below are the steps for determining if the family's health insurance cost equals or exceeds 10% of their total gross annual income.

STEP 1: Add together all of the family's annual gross, non-excluded earned and unearned income.

STEP 2: Multiply the total in Step 1 by .10.

STEP 3: Determine the total annual cost of the family's health insurance coverage.

STEP 4: Compare the Step 2 amount to the total cost of the family's annual health insurance premium in Step 3.

STEP 5: If the family's annual health insurance in Step 3 cost equals or exceeds the amount in Step 2, good cause exists for dropping the health insurance. If the family's health insurance cost is less than the amount in Step 2, good cause does not exist for dropping the health insurance.

2. Other Good Cause Criteria

Other factors that are considered to be good cause for the termination of health insurance coverage are as follows:

- S The employer terminates health insurance coverage.
- S Health insurance coverage stops when the job is terminated by the employer.
- S Loss of coverage for the child is due to a change in employment.
- S Loss of coverage was outside the control of the employee.
- S A determination of good cause is made by the legal representatives of the Department of Administration. Referral for consideration is made automatically by the Hearings Officer after a negative Fair Hearing decision for the client.