

7.2 APPLICATION/REDETERMINATION PROCESS

Prior to approval for WV CHIP, the client must be determined ineligible for all Medicaid coverage groups except: AFDC- and SSI-Related Medicaid with an unmet spenddown, QMB, SLIMB, and QI-1. Therefore, the application procedures that apply to Medicaid must be applied when determining eligibility for WV CHIP. These are found in Chapter 1 of this Manual.

Special redetermination procedures apply to **WV CHIP, QC and PL Children**; these are found in Section D.

The policies listed below are the same for WV CHIP as for **QC and PL Children**. The Manual citations are included.

- Application forms See Section 1.9,A
- In addition, when information is received on an DFA-QSQ-1 that indicates the presence in the home of a potentially eligible WV CHIP child, the Worker must forward a WV-KIDS-1 form to the family to offer the opportunity to receive medical coverage for the child.
- Determining a complete application See Section 1.9,B
- Determining the date of application See Section 1.9,C
- If interview is required;
Who must be interviewed See Sections 1.9,D and E
- Who must sign the application See Section 1.9,F
- Due date of additional information See Section 1.9,H
- Who is the payee See Section 1.9,K
- Redetermination schedule See Section 1.9,N
- Data system action See Section 1.9,Q

The following policies and procedures differ from those for **QC and PL Children** and apply to WV CHIP.

A. CONTENT OF THE INTERVIEW

Although not required, when an interview is conducted the interview requirements found in Sections 1.2 and 1.9,G are applicable. In addition, the following must be discussed with the client.

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- An explanation of the relationship between Medicaid and WV CHIP, including that WV CHIP is not a Medicaid program, but is health insurance coverage. The Worker must also explain that WV CHIP provides more limited coverage than Medicaid and that, if eligible and enrolled, WV CHIP will notify him of the specifics of the coverage.
- An explanation that because WV CHIP is not Medicaid, WV CHIP recipients are ineligible for NEMT.
- An explanation of the 12-month continuous period of financial eligibility with a clarification that when a WV CHIP recipient reaches the annual and/or lifetime benefit maximum(s), the AG is closed. Medical services are not paid for the remainder of the current benefit/calendar year or indefinitely. See Section 7.3,D.
- An explanation that when an applicant drops his non-state health insurance coverage without good cause, a waiting period of **3** months for WV CHIP and **3** months for WV CHIP Expansion, from the date the coverage was last in effect, applies. See Section 7.2,C.
- An explanation that any denial or termination of benefits due to dropping health insurance coverage for the child(ren) will be automatically referred to WV CHIP by the Hearing Officer after an adverse Fair Hearing decision. The Department of Administration has another opportunity to make an exception to this policy, based on the client's individual circumstances.
- An explanation that all changes in case circumstances must be reported to the Department, not to the WV CHIP Helpline.
- An explanation that, for the following services, the client must contact the WV CHIP Helpline at 1-877-982-2447: replacement of the medical insurance card, regardless of the reason; inquiries about services covered; and/or the level of coverage. The WV CHIP staff will mail a "Summary Plan Description" to all WV CHIP eligibles upon approval. This information will also explain when to contact the WV CHIP Helpline.
- The client must contact the claims administrator at 1-800-356-2392 to request copies of his Explanation of Benefits (EOB) or inquire about the status of medical claims or problems related to medical payments.
- An explanation that the client's medical services providers must contact the WV CHIP Helpline for assistance or questions, instead of the Department.
- The availability of child support services, but that participation is voluntary and failure to cooperate or accept services does not affect WV CHIP eligibility. The client must also be advised that child support cooperation

may become mandatory if the children are later determined eligible for Medicaid.

- The availability of an extended processing time for those applicants who elect to drop existing health insurance and who have good cause. See Section 7.14,D. This extra processing time, up to 45 days after the date of application, is permitted so that the family may cancel the child's health insurance coverage and provide verification that the child is no longer covered to establish WV CHIP eligibility. The Worker must advise the client that the child's health insurance coverage is the sole reason for WV CHIP ineligibility.

NOTE: No family is to be encouraged to drop a child's existing health insurance coverage without assurance from the Worker that WV CHIP coverage will be approved once the child's other health insurance is terminated.

B. AGENCY DELAYS

Under no circumstances is an application denied solely because the processing time limit has passed and the Worker has failed to act.

Reimbursement for out-of-pocket expenses due to agency delays does not apply to WV CHIP.

When the Department fails to request necessary verification, the Worker must immediately send a written request for the information. He must inform the client that the application is being held pending and the starting date of his WV CHIP coverage may be delayed if he does not respond immediately.

Once established, eligibility begins on the 1st of the month of application, regardless of the reason for the delay. See Section 7.14,C for all situations which result in backdating WV CHIP coverage.

NOTE: See Section 7.14,E for procedures regarding WV CHIP Premium Expansion coverage.

C. BEGINNING DATE OF ELIGIBILITY

The beginning date of eligibility is the 1st day of the month of application. When the case is held pending termination of other health insurance coverage the earliest date of eligibility is the 1st day of the month when the other health insurance is not in effect. When a child is ineligible due to dropping non-state health insurance coverage without good cause and a waiting period applies, the earliest date of eligibility for WV CHIP is the 1st of the month after **3** months have

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passed since the health insurance coverage was in effect. For WV CHIP Premium Expansion, the earliest date of eligibility is the 1st of the month after **3** months have passed since the health insurance coverage was in effect.

EXAMPLE: On December 5, 2008, Ms. Smithers requested that her personnel department terminate her health insurance coverage. It was last in effect January 2009. She did not have good cause for dropping her health insurance coverage. The earliest date of eligibility for her child is August 2009 for WV CHIP, or February 2010 for WV CHIP Premium.

EXAMPLE: Mr. Clark drops his health insurance coverage without good cause. His last month of coverage was November 2007. Mr. Clark's waiting period for WV CHIP is December 2007 through May 2008. On February 2, 2008, Mr. Clark applies for WV CHIP for his son. Because only two months of the waiting period have passed, the earliest Mr. Clark's son is eligible for WV CHIP is June 1, 2008.

Eligibility may not be backdated up to 3 months as is permitted for Medicaid. The only instances of backdated coverage are identified in Section 7.14,C. The beginning date of WV CHIP coverage cannot be earlier than the month following the beginning implementation date of the program, July 1, 1998.

D. REDETERMINATION SCHEDULE AND SPECIAL PROCEDURES

1. Redetermination Schedule

The redetermination notice is mailed **automatically around** the **2nd working** day of the 11th month of eligibility and is due by the **3rd working** day of the 12th month.

A special procedure is used for completing QC, PL and WV CHIP reviews in alternate years. This passive redetermination process is initiated by RAPIDS which generates the WV-KIDS-1 form with a PRLA letter of explanation. The form contains specific case information and requests the client to indicate any changes. See Section 1.9 N and R.

Either redetermination process may be completed by mail or online using inROADS.

See Appendix B for a chart showing the appropriate action, depending on the redetermination.

NOTE: See Section 7.3,D for redetermination special procedures when a WV CHIP AG is closed for the sole reason of reaching WV CHIP benefit maximum(s).

NOTE: See Section 7.14,E for procedures regarding WV CHIP Premium Expansion coverage.

2. Redetermination Special Procedures for Processing WV CHIP Passive Reviews that do not include QC or PL Children

When a WV CHIP passive review does not include QC or PL Children, it is processed by the Customer Service Centers (CSC).

A special procedure is used for completing WV CHIP reviews in alternate years. This passive redetermination process is initiated by RAPIDS which generates the WV-KIDS-1 form with a PRL7 letter of explanation. The information is mailed automatically around the 2nd working day of the 11th month of eligibility. The redetermination must be submitted by the 3rd working day of the 12th month. The form contains specific case information and requests the client to indicate any changes.

If the form is returned and no change is indicated, the WV CHIP redetermination is processed by the CSC.

When a change is shown on the PRLA returned to the CSC, the PRLA is held in the CSC until the client submits the WV-KIDS-1 sent by CSC staff. If no change is shown on the form returned to the CSC, but pay stubs attached indicate otherwise, the CSC staff sends a WV-KIDS-1 to the client for completion and return.

A “change” for these purposes is a change in income or household members and requires completion of a WV-KIDS-1. Changes of address, phone number or other non-financial items must be updated in RAPIDS, but do not require completion of a WV-KIDS-1.

If the client does not return a PRLA that indicates no changes have occurred or fails to return the WV-KIDS-1 sent to him, WV CHIP is stopped after the 12-month period of continuous eligibility expires.

NOTE: When the PRLA or WV-KIDS-1 is received through the mail or through inROADS and includes any combination of WV CHIP, QC or PL Children due for passive redetermination in the same month, the redetermination is processed by the Worker.

3. Redetermination Special Procedures for Processing Combined WV CHIP, QC or PL Children Passive Reviews

When a WV CHIP passive review includes any combination of WV CHIP, QC or PL Children due for review in the same month, it is processed by the Worker.

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A special procedure is used for completing WV CHIP, QC or PL reviews in alternate years. This passive redetermination process is initiated by RAPIDS which generates the WV-KIDS-1 form with a PRL7 letter of explanation. The information is mailed automatically around the 2nd working day of the 11th month of eligibility. The redetermination must be submitted by the 3rd working day of the 12th month. The form contains specific case information and requests the client to indicate any changes.

If the form is returned and no change is indicated, the WV CHIP, QC or PL redetermination is processed by the Worker.

When a change is shown on the PRLA returned to the Worker, the PRLA is held by the Worker until the client submits the WV-KIDS-1 sent by county staff. If no change is shown on the form returned to the Worker, but pay stubs attached indicate otherwise, the Worker sends a WV-KIDS-1 to the client for completion and return.

A “change” for these purposes is a change in income or household members and requires completion of a WV-KIDS-1. Changes of address, phone number or other non-financial items must be updated in RAPIDS, but they do not require completion of a WV-KIDS-1.

If the client does not return a PRLA that indicates no changes have occurred or fails to return the WV-KIDS-1 sent to him, **WV CHIP, QC or PL coverage** is stopped after the 12-month period of continuous eligibility expires.

NOTE: When the PRLA or WV-KIDS-1 is received through the mail or through inROADS and does not include QC or PL Children due for passive redetermination in the same month, the redetermination is processed by the Customer Service Centers (CSC).

See Appendix B for a chart showing the appropriate action, depending on the redetermination.

4. Redetermination Special Procedures for Aligning Redetermination Dates for WV CHIP, QC or PL Children

If a family has more than one child under the age of 19 and more than one redetermination date, these dates may be aligned eliminating the need to conduct separate redeterminations on each child. It is the responsibility of the Worker to evaluate and correctly align these groups, which may include QC, PL or WV CHIP.

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A 12-month period of continuous eligibility cannot be extended beyond 12 months; but, it can be shortened to align with the redetermination date of the other children in the home if it does not adversely impact a child. If a child is found ineligible before their original 12-month continuous coverage was scheduled to end, the child must be allowed to continue that original 12-month period of continuous coverage.

A Continuously Eligible Newborn (CEN) must receive his CME period as a CEN through his first birthday, regardless of changes in the household's income and circumstances. Therefore, the CEN redetermination date cannot be aligned with the other children's AG's, but other QC, PL or WV CHIP AG's may be aligned with the CEN redetermination cycle.

An AG must be due for review and an application form received that requires processing before evaluating the case for alignment. The client's request or case management activity is not a basis for evaluating for alignment.

Those that have been aligned must be notified of the new period of eligibility.

EXAMPLE: A family has 2 children receiving QC. Child A is due for review in August. Child B is due for review in October. Both children can be reviewed and aligned in August and begin a new 12-month continuous eligibility period together. The 2 children would then be due for review in August of the following year.

EXAMPLE: A family has 1 child that is receiving WV CHIP and 1 child that is receiving QC. The WV CHIP child is due for review in October. The QC child is due for review in December. When the WV CHIP child is reviewed in October, the QC child can be reviewed and aligned at the same time. The 2 children would then be due for a review again in October of the following year.

EXAMPLE: A family has 2 children receiving QC. Child A is due for review in February. Child B is due for review in May. The review is completed and the Worker attempts to align the children's redetermination dates in February. Child B is found to be ineligible for continuous coverage. Child B must be allowed to keep the original 12-month continuous coverage period and be reviewed again in May as closing Child B in February would have an adverse effect on the child. Child A would begin a new 12-month period of continuous eligibility in February.

EXAMPLE: A family has 2 children receiving QC and a newborn receiving CEN Coverage in the home. Review dates are as follows: Child A in March, Child B in May and Child C in June. When the review for Child A is completed in March, Child B can be aligned and begin a 12-month period of consideration together beginning in April. Child C could not be aligned at this time as action cannot be taken to lengthen CEN Coverage. Child C must be allowed to keep the original 12-month continuous coverage period and be reviewed in June. At that time, the Worker could once again attempt to align the children's redetermination dates.

E. CLIENT NOTIFICATION

RAPIDS automatically sends a notice to the child's household mailing address when:

- A WV CHIP application is approved or denied;
- Eligibility for a WV CHIP child continues at redetermination; or
- A child loses WV CHIP eligibility.

The 13-day advance notice period described in Chapter 6 does not apply to WV CHIP. However, a 10-day adverse notice period applies.

EXCEPTION: See Section 7.3,D regarding when adverse notice requirements do not apply.

Benefits are continued, pending a hearing, when the AG requests a hearing within the advance notice period.

Hearing requests for the sole reason of reaching the benefit maximum(s) are referred to the WV CHIP Helpline at 1-877-WVA-CHIP or 1-877-982-2447, rather than the Department's Hearings Officer. The hearing and/or a decision regarding any continuation of benefits are the responsibility of the Department of Administration.

Once the case is forwarded to WV CHIP, their staff is responsible for subsequent notification of WV CHIP approval and all matters related to medical coverage and payment of benefits.

NOTE: See Section 7.14,E for procedures regarding WV CHIP Premium Expansion coverage.

F. THE BENEFIT

Once the case information is forwarded to WV CHIP, their staff is responsible for subsequent notification of WV CHIP enrollment materials, such as benefit plan, welcome kit, rights and responsibilities, etc.

The West Virginia Office of Technology (WVOT) determines whether the client is subject to co-payments for certain medical services and prescriptions which are collected by the provider, based on whether the net income is greater than 150% FPL. Since WVOT makes this determination, no indication of co-pay status appears in RAPIDS. The client must be referred to the WV CHIP Office for any questions concerning copayments.

EXCEPTION: Children who are members of a federally recognized American Indian or native Alaskan tribe are exempt from copayments. The client's race is accepted without verification and the race code is entered in RAPIDS.

The medical insurance card is produced and mailed to the client by the claims administrator. Only one card is produced for the 12-month financial eligibility period. The WV CHIP card is not a Medicaid card produced by RAPIDS and cannot be replaced through RAPIDS by use of blank Medicaid cards or by a letter from the Department. When a replacement is necessary, the client must contact the WV CHIP Helpline. If the client contacts the Department instead of the WV CHIP Office, he is referred to 1-877-WVA-CHIP or 1-877-982-2447 for a replacement.

NOTE: When a recipient reaches the benefit maximum(s) for the current calendar/benefit year and/or indefinitely, presenting the medical insurance card to providers will not result in payment for services for the remainder of the year. When the annual benefit maximum is reached, once a new calendar/benefit year begins, eligible services will again be paid. See Section 7.3,D,2.

G. EXPEDITED PROCESSING

The policy in Section 1.9,O applies to WV CHIP.

However, the processing time may be extended for a maximum of 45 days from the date of application when the following conditions are met:

- The only reason the child is ineligible for WV CHIP is that he has other health insurance coverage; and
- Medical providers who accept the insurance are geographically inaccessible to the client as described in Section 7.14,D; or
- The cost of insurance for the family is 10% or more of the family's gross annual income; and
- The applicant has indicated that the other health coverage for the child will be terminated.

This special procedure allows time for the family to terminate the other coverage and provide verification, if necessary, without having to reapply for WV CHIP. Eligibility may begin the first day of the month the health insurance is no longer in effect.