

WV CHIP

NOTE: Any child who has access to insurance through a state health plan, including Public Employee Insurance Agency (PEIA), may now receive WV CHIP, if otherwise eligible and currently not enrolled. West Virginia has expanded coverage which allows WV CHIP to offer benefits to children of public employees having income of up to 300% of the Federal Poverty Level. **During PEIA's open enrollment period, children can be evaluated for eligibility for WV CHIP, and if otherwise eligible, will have coverage beginning July 1st of the coverage year.** Due to IRS Section 125 rules regarding life-changing events, PEIA can only disenroll children during the program's open enrollment period. The only exception is for new employees that have not yet enrolled in PEIA. New employees have 60 days from date of hire to enroll in PEIA. WV CHIP is not a secondary payer. During this open-enrollment period, dual eligibility coding will exist in the state system for Medicaid and CHIP. Payments will be monitored via the CHIP and PEIA groups to ensure that dual payments will not exist. This occurs simply for the processing of the CHIP applications. The client must show an approval letter for CHIP coverage to be able to disenroll from active PEIA coverage.

EXCEPTION: This requirement does not apply if the public agency contributes less than \$10 more per family, per month toward the cost of dependent coverage, than their contribution toward the cost of covering the employee only.

EXAMPLE: A client has PEIA through his employment at a county agency. The employer pays \$25 toward the cost of his insurance. If he adds his son to his insurance, his employer pays \$30 (\$25 for him and \$5 additional for family coverage) toward the cost of his family insurance. The insurance is available and his son is eligible, but the employer pays less than \$10 more to add the child than they pay for the client's insurance alone. If otherwise eligible, the child is eligible for WV CHIP coverage.

For WV CHIP purposes, a public agency is defined as having operations funded by state revenues that are in part, used to pay an employer's share of an employee's health care in a state health plan such as, but not limited to, PEIA.

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NOTE: Employees of certain community-based non-profit agencies such as, but not limited to, community action programs, senior service agencies, and mental health centers, although commonly thought to be public agencies, do not meet the public agency definition as defined by federal regulations and are identified by a tax exempt status under IRS Regulation, (501(c)3. An applicant employed by an agency with 501(c)3 tax status can, if otherwise eligible, receive WV CHIP for her child(ren).

When there is a question if an applicant's employer is considered a public agency for WV CHIP eligibility, and this information is not available to the Department or obtainable from WV CHIP, the Worker requests verification of the employer's tax status from the client.

EXAMPLE: An applicant is working for Eldercare Mental Health Center, a community-based non-profit agency. She has access to a state health plan with the premium costs shared between the employer and employee. The Worker is unsure if this agency is considered a public agency for WV CHIP purposes and requests verification of the tax status from the client. If the employer's human resource department verifies the agency's tax status as 501(c)3, the applicant, if otherwise eligible, can receive WV CHIP for her son.

An employee who "buys in" to PEIA or another state health plan with his own funds, without any employer contribution, would, if otherwise eligible, be able to receive WV CHIP, since no state funds are used to pay his health insurance premiums.

8. The child does not have individual or group health insurance coverage. Most children with health coverage will not qualify for WV CHIP. See "Definitions" in Appendix A.

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 a state health plan such as PEIA. This requirement applies only to persons who drop out of an existing program.

EXCEPTION: Due to IRS Section 125 rules regarding life-changing events, PEIA can only enroll children during the program's open enrollment period or for new employees within 60 days of date of hire. When this occurs, the child will be considered eligible for WV CHIP.

NOTE: The Worker must not advise a family concerning dropping a child's existing health insurance or about other health care provider choices.