

7.14 SPECIFIC WV CHIP REQUIREMENTS

The information in this Section parallels the information in Chapter 16, which contains the requirements specific to the Children Under Age 19 Medicaid Group. Item A describes the criteria for WV CHIP. Sections B and C describe the similarities and differences between requirements for WV CHIP and the Children Under Age 19 Medicaid Group.

A. REQUIREMENTS FOR WV CHIP CHILDREN

Income:	211% FPL	Assets: N/A
	300% FPL WV CHIP Premium Expansion	
	No Spenddown Provision	

Individuals are eligible for WV CHIP when all of the following conditions are met:

1. At the time of application or redetermination, the child must not be financially eligible for a **MAGI** Medicaid coverage group. An individual interested in receiving WV CHIP, but eligible for **MAGI** Medicaid, cannot choose WV CHIP instead of Medicaid, but he can refuse **MAGI** Medicaid.

If the applicant chooses to pursue eligibility for a non-MAGI Medicaid coverage group while enrolled in WV CHIP, and is found to be eligible for a non-MAGI Medicaid coverage group, the applicant is no longer eligible for WV CHIP, see Chapter 16.3.

2. The child is not yet age 19, regardless of school attendance or course completion date. He becomes ineligible the end of the month in which he attains age 19. Emancipation does not impact eligibility.

EXCEPTION: When a child is receiving inpatient services on the date he would lose eligibility due to age, coverage continues until the child is discharged.

3. Household income, determined according to Section 7.10, is less than or equal to 300% FPL. See Chapter 10, Appendix A.
4. The child is not an inmate of a public institution.

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5. The child is not a patient in an institution for mental diseases.
6. The child meets the Medicaid citizenship and alienage requirements found in Chapter 4. See **Chapter 7.5, F** regarding enumeration.
7. The child is not receiving a state group health plan based on a family member's employment with a public agency that has access to a state health plan.

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.

B. MEDICAID REQUIREMENTS APPLICABLE TO WV CHIP

Consideration for all Medicaid groups must be made prior to closure of WV CHIP. This does not mean that applications for all coverage groups must be taken and processed; eligibility is determined based on case record information. See Chapter 16.3.

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 DFA-HIP-1 to the family. This is a responsibility of the WV CHIP staff.

An individual must first be determined ineligible for a MAGI Medicaid coverage group before he can receive WV CHIP. If the applicant chooses to pursue eligibility for a non-MAGI Medicaid coverage group while enrolled in WV CHIP, and is found to be eligible for a non-MAGI Medicaid coverage group, the applicant is no longer eligible for WV CHIP, see Chapter 16.3 the WV CHIP must be closed after adverse notice.

An individual cannot receive both Program benefits at the same time.

8. Long Term Care

If the child requires long-term care services, and qualifies for ICF/MR, AD Waiver, CDCS, or I/DD Waiver coverage groups, the child is then eligible for a full-coverage Medicaid eligible and since eligible for Medicaid, ineligible for WV CHIP.

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 NON-EXCEPTED INSURANCE HEALTH COVERAGE

A child is ineligible for WV CHIP if he has creditable health insurance. This section explains how to determine if good cause exists for dropping the child's current non-excepted health insurance coverage. When the applicant has good cause, the child, if otherwise eligible, may receive WV CHIP the month after the insurance is no longer in effect.

1. Applicant's Responsibilities

The applicant is not responsible for knowing if he meets the good cause criterion that allows him to drop his health coverage. The Worker must determine if good cause exists prior to a denial.

When it appears there may be good cause, it is the applicant's responsibility to provide all necessary information for the Worker to make this determination within 45 days from the date of application or be denied.

When the applicant is informed that he is otherwise eligible for WV CHIP, except for having health insurance coverage, and he drops the coverage, he must provide verification that coverage is terminated and the effective end date of the coverage, before WV CHIP is approved.

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

2. Worker's Responsibilities

When the Worker receives an application showing that the family has non-excepted health insurance (see Appendix A), he must:

Consider the application to be a request for consideration under the good cause criteria.

If not already provided, request any additional information necessary to determine good cause.

Determine if the client is otherwise eligible for WV CHIP, except for having current non-excepted health insurance coverage.

Determine by the steps outlined in Procedure for Determining if the Criteria is met below if the individual's annual health insurance premium exceeds 5% of the family's gross annual income or the medical costs for the family exceeds 9.5% of their gross non-excluded annual income.

Inform the client in writing when he meets WV CHIP requirements except for having the non-excepted health insurance coverage.

Inform the client that WV CHIP coverage continues for 12 months and that if the family income increases there is a possibility the child may not be eligible at redetermination.

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.

3. Excessive Cost Of Family Coverage

Good cause for terminating non-excepted health insurance coverage exists when the annual cost of the family coverage exceeds 9.5% of the household income or if the premiums paid by the family exceed 5% of the family's household 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 made due to excessive cost of family coverage, special application processing procedures may apply. See [Chapter 7.2](#).