

## 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; these are found in Section D.

The policies listed below are the same for WV CHIP as for Qualified and Poverty-Level 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 Qualified and Poverty-Level 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 6 months for WV CHIP and 12 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.

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- 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 passive redetermination process.
- 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 1<sup>st</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> of the month after 6 months have passed since the health insurance coverage was in effect. For WV CHIP Premium Expansion, the earliest date of eligibility is the 1<sup>st</sup> of the month after 12 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 and 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

The redetermination notice is mailed on the 3<sup>rd</sup> day of the 11<sup>th</sup> month of eligibility and is due by the 3<sup>rd</sup> day of the 12<sup>th</sup> month.

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

**NOTE:** The passive redetermination process is alternated with the redetermination process described in Section 1.9,R. Either redetermination process may be completed online using inROADS.

WV CHIP uses a passive redetermination system using RAPIDS form PRLA in alternating years. The form contains specific case information and requests the client to indicate any change in the information.

**NOTE:** 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 form is returned and no change is indicated, the WV CHIP redetermination is processed.

If no change is shown on the form returned to the CSC, but pay stubs attached indicate otherwise, an electronic mail is sent to both [Romona.M.Allen@wv.gov](mailto:Romona.M.Allen@wv.gov) and [Paula.M.Atkinson@wv.gov](mailto:Paula.M.Atkinson@wv.gov) at WV CHIP with the case name, address, county and phone number, if known, and WV CHIP staff mails the WV-KIDS-1 to the client.

In the above-described situation or when a change is shown on the PRLA that is returned to the CSC, the PRLA is held in the CSC until the client submits the WV-KIDS-1 he requested from the WV CHIP Helpline or received as a result of the electronic mail to WV CHIP staff.

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

When there is at least one WV CHIP child and one Medicaid child in the same home and both are due for redetermination in the same month, a passive redetermination is sent for the WV CHIP child and a WV-KIDS-1 for the Medicaid child. If only the WV-KIDS-1 is returned or the redetermination is completed online using inROADS, either may be used for the WV CHIP redetermination. However, under no circumstances is the PRLA used for Medicaid.

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

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

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%

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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.