



**State of West Virginia
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Inspector General
Board of Review
Post Office Box 1736
Romney, WV 26757**

**Joe Manchin III
Governor**

**Martha Yeager Walker
Secretary**

July 14, 2005

Dear Ms. _____:

Attached is a copy of the findings of fact and conclusions of law on your hearing held June 21, 2005. Your hearing request was based on the Department of Health and Human Resources' non coverage of \$114. of your March 2005 Nursing Home costs.

In arriving at a decision, the State Hearings Officer is governed by the Public Welfare Laws of West Virginia and the rules and regulations established by the Department of Health and Human Resources. These same laws and regulations are used in all cases to assure that all persons are treated alike.

Eligibility for the Long Term Care program is based on current policy and regulations. Some of these regulations state as follows: Once Long Term Care Medicaid eligibility is established, the client's contribution toward his cost of care is determined.

The information which was submitted at your hearing revealed that the Agency accurately calculated your contribution amount and issued payment to the Nursing home the the balance owed minus this amount.

It is the decision of the State Hearings Officer to uphold the action of the Department to withhold the calculated contribution amount from the payment made to the Nursing Home.

Sincerely,

Sharon K. Yoho
State Hearing Officer
Member, State Board of Review

cc: Erika H. Young, Chairman, Board of Review
Propst, DHHR

IV. QUESTIONS TO BE DECIDED:

The question(s) to be decided is whether the Agency was correct in their calculations of the claimant's contribution resource amount and the withholding of this amount from the payment issued to the Nursing Home.

V. APPLICABLE POLICY:

West Virginia Income Maintenance Manual, chapter § 17.9

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- D-1 Notification letter dated March 25, 2005
- D-2 Notification letter dated March 28, 2005
- D-3 WV Income Maintenance Policy § 17.9

Claimants' Exhibits:

- C-1 Medicare Summary Notice dated May 16, 2005
- C-2 Nursing Home billing statement

VII. FINDINGS OF FACT:

- 1) Ms. _____ was admitted into the Nursing Home on March 9, 2005. Her DHHR caseworker at that time switched her SSI Medicaid coverage to Long Term Care Medicaid coverage.
- 2) The worker completed the post-eligibility calculations to determine the client's contribution toward his cost of care. This calculation determined that the client's contribution and resource amount was in the amount of \$114.
- 3) The claimant received notification of her obligation to pay \$114. of her March, care. This notification was dated March 25, 2005.
- 4) On May 16, 2005 a Medicare Summary Notice was mailed to Ms. _____ which stated that there were no non-covered charges for the month of March but that \$342. of the billed amount for March was applied to Deductible and Coinsurance. It also noted that Ms. _____ may be billed for the \$342.
- 5) Ms. _____ was given a statement from _____ of the _____ Home which explains that Medicare pays for the first 20 days of nursing home care at 100% and beginning with the 21st day the Medicaid program is billed as well as the resident for any co pay amount. The Department had already determined Ms. _____'s co pay amount to be the \$114. resource amount already calculated.

- 6) Medicare was applying \$342. of the March, care to Ms. _____'s deductible or coinsurance which obviously had not been met as of March. Ms. _____ was obligated to pay the \$114. In addition, the Agency was obligated to pay the remainder since Medicaid was considered the claimant's coinsurance.
- 7) Ms. _____ was confused regarding her obligation to pay anything for March since the letter from the Social Security Administration indicated that there were no non-covered expenses and the letter from the Nursing Home indicated that the first 20 days are paid 100% by Medicaid.
- 8) The Agency calculated Claimant's resource contribution amount as follows:
- | | |
|--|--------|
| Client's gross monthly non-excluded income | \$379. |
| Personal Needs Allowance | -50 |
| Remainder | \$229. |
| Outside Living Expense | -175. |
| Client's resource amount | \$154 |
- This amount was then prorated for the partial Nursing Home stay of March to be \$114.
- 9) West Virginia Income Maintenance Policy § 17.9 B, C-2 and E:
 When the client is a recipient, under a coverage group which provides full Medicaid coverage, at the time he is determined to need nursing facility services, no further eligibility test is necessary. The Worker must complete only the post-eligibility calculations to determine the client's contribution toward his cost of care, if any.

Determining The Client's Total Contribution:

Example: Single Individual with OLE, Categorically Needy

\$1,750	Client's gross monthly non-excluded income
-50	Personal Needs Allowance
\$17,00	Remainder
-175	Outside Living Expense, OLE
\$1,525	Client's resource amount which is also his contribution toward his cost of care

During the first month and last month that Medicaid participates in the cost of care, it is necessary to prorate the client's contribution to his care when he does not spend the full calendar month in the facility. This proration is accomplished as follows:

- Determine the client's total monthly cost contribution amount
- Divide the client's total monthly cost contribution by the actual number of days in the calendar month. This becomes the daily contribution rate.
- Determine the number of days the client resided or expects to reside in the facility in the calendar month and multiply the number of days by the daily contribution rate.

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VIII. CONCLUSIONS OF LAW:

- 1) Policy is clear that the case worker has the obligation to do calculations to determine if the client would have a resource obligation to pay for her Nursing Home care. The caseworker did follow policy and accurately calculated the claimant's resource amount for the month of March to be \$114. The Department would only have an obligation to pay the remainder of the billed amount of \$342. for the month of March. The claimant would bear the burden of the remaining charge of \$114.

IX. DECISION:

This Hearing Officer does understand the confusion that often times surrounds Medicare and Medicaid billing issues as it applies to the terms of 100% coverage, deductibles and coinsurance. However I rule that the Agency was correct in their actions to calculate the resource amount of \$114. for March and to withhold this amount from their payment made to the Nursing Home for March. The action of the Department is upheld.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this 14th Day of July, 2005.

**Sharon K. Yoho
State Hearing Officer**