



State of West Virginia  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
Office of Inspector General  
Board of Review  
1400 Virginia Street  
Oak Hill, WV 25901

Earl Ray Tomblin  
Governor

Michael J. Lewis, M.D., Ph.D.  
Cabinet Secretary

June 24, 2011

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Dear -----:

Attached is a copy of the Findings of Fact and Conclusions of Law on your hearing held June 21, 2011. Your hearing request was based on the Department of Health and Human Resources' decision to deny your application for AFDC-Related Medicaid due to excessive assets.

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 AFDC-Related Medicaid program is based on current policy and regulations. These regulations provide that the asset limit for AFDC-Related Medicaid is \$3,050 for an Assistance Group of three (WV Income Maintenance Manual § 11.3)

The information submitted at your hearing revealed that your countable assets exceed the allowed limit for you to receive AFDC-Related Medicaid.

It is the decision of the State Hearings Officer to **Uphold** the action of the Department to deny your AFDC-Related Medicaid application.

Sincerely,

Kristi Logan  
State Hearings Officer  
Member, State Board of Review

cc: Chairman, Board of Review  
Sylvia Proffitt, Economic Service Worker

**WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
BOARD OF REVIEW**

**IN RE:** -----,

**Claimant,**

**v.**

**ACTION NO.: 11-BOR-1206**

**WEST VIRGINIA DEPARTMENT OF  
HEALTH AND HUMAN RESOURCES,**

**Respondent.**

**DECISION OF STATE HEARING OFFICER**

**I. INTRODUCTION:**

This is a report of the State Hearing Officer resulting from a fair hearing concluded on June 21, 2011 for ----- . This hearing was held in accordance with the provisions found in the Common Chapters Manual, Chapter 700 of the West Virginia Department of Health and Human Resources. This fair hearing was convened on a timely appeal, filed March 23, 2011.

**II. PROGRAM PURPOSE:**

The program entitled AFDC-Related Medicaid is administered by the West Virginia Department of Health and Human Resources.

The Medicaid categorically related to Aid to Families with Dependent Children Program is designed to provide medical assistance to eligible families with children from the fetal stage to age 18. These dependent children must be deprived of parental support due to the death, continued absence, incapacity, or unemployment of the parents. In addition, the family must meet financial eligibility criteria.

**III. PARTICIPANTS:**

-----, Claimant

-----, Witness for Claimant

Michelle Jones, Economic Service Worker

Presiding at the Hearing was Kristi Logan, State Hearing Officer and a member of the Board of Review.

**IV. QUESTION TO BE DECIDED:**

The question to be decided is whether or not the Department's decision to deny Claimant's AFDC-Related Medicaid application was correct.

**V. APPLICABLE POLICY:**

WV Income Maintenance Manual § 11.2, 11.3 and 11.6

**VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:**

**Department's Exhibits:**

- D-1 Hearing Request received March 23, 2011
- D-2 Hearing/Grievance Request Record and Notification Letter dated March 22, 2011
- D-3 Correspondence from Board of Review dated May 9, 2011
- D-4 Correspondence from -----dated May 11, 2011
- D-5 WV Income Maintenance Manual § 11.3, 11.6 and 10.21
- D-6 Vehicle Estimates, Statement from -----, Payment Coupon from CitiFinancial, NADA Website Screen Prints and 2010 Personal Property Tax Ticket
- D-7 Asset Eligibility Determination Screen (EEAD) from RAPIDS Computer System
- D-8 Vehicle Assets Screen (AAVA) from RAPIDS Computer System
- D-9 Case Comments (CMCC) from RAPIDS Computer System
- D-10 Hearing Appointment Letter
- D-11 Case Summary

**VII. FINDINGS OF FACT:**

- 1) Claimant applied for AFDC-Related Medicaid on March 21, 2011. A denial letter was issued by the Department on March 22, 2011 which reads in pertinent part (D-2):

Your 3/21/11 application for AFDC Related Medicaid has been denied.  
The amount of assets is more than is allowed for this benefit.

- 2) Michelle Jones, Economic Service Worker testified that at the time of Claimant's application, she reported her assets as a 2008 Chevrolet Silverado, 1999 Jeep Grand Cherokee, a 1997 Honda ATV and a 1991 utility trailer. Claimant provided a 2010 Personal Property Tax Ticket showing assessed values for the vehicles of \$2,070 for the Jeep Grand Cherokee, \$11,295 for the Chevrolet Silverado and \$90 for the utility trailer (D-6). Verification of the amount owed on the Chevrolet Silverado was received, showing a balance of \$2,330.64 as of March 2011 (D-6).

NADA values of the vehicles were obtained from NADAguides.com. The “rough” trade-in value of the Chevrolet Silverado according to the website was \$13,600 and the “rough” trade-in value for the 1999 Jeep Grand Cherokee was \$1,875 (D-6). A trade-in value for the Honda ATV was determined to be \$1,075 but Claimant indicated it was only worth \$500 due to its condition.

- 3) Ms. Jones stated Claimant did not agree the values of the vehicles and obtained estimates from Beckley Automall. The values as indicated on the vehicle estimate form was \$800 for the Jeep Grand Cherokee and \$13,000 for the Chevrolet Silverado.

Claimant contacted her caseworker and reported she and her husband gave the 1997 Honda ATV to their nephew. Claimant sent in a statement from -----verifying that he received the ATV as a gift on March 26, 2011 (D-9). However, Ms. Jones stated Claimant’s combined assets of the two (2) vehicles and utility trailer exceeded the allowable limits for Claimant to receive AFDC-Related Medicaid.

- 4) Claimant testified that she needs a reliable vehicle for doctor’s appointments. Claimant stated the Jeep Grand Cherokee does not run and her daughter has been in the hospital three (3) times since she was born. Claimant stated her husband is disabled and she has medical problems as well. Claimant said her medications are expensive and with their household’s little income, assets should not make them ineligible for Medicaid.

- 5) WV Income Maintenance Manual § 11.3 states:

To be eligible for programs administered by the Division of Family Assistance (DFA), the total amount of countable assets cannot exceed the amounts which are listed in the following chart:

Size of AG [Assistance Group]: 1	\$2,000
Size of AG: 2	\$3,000

Add \$50 to the asset maximum for each additional Needs Group Member

- 6) WV Income Maintenance Manual § 11.4 VV(1) states:

The owner of a vehicle is generally the individual to whom it is titled. However, when the title of a vehicle is not in the client's name, but the client states he is the owner, the vehicle is counted as the client's asset. If the title is in the client's name, and he indicates the vehicle no longer belongs to him, and the name on the title has not been changed, the vehicle is presumed to be his, unless he can prove otherwise. Only those vehicles of members of the AG, individuals who are disqualified or excluded by law and who would otherwise be required to be included, are considered when determining vehicle assets.

The trade-in value is usually used as the CMV [current market value] for AFDC and AFDC-Related, Medicaid SSI-Related Medicaid, M-WIN, CDCS, PAC, QDWI, QMB, SLIMB, QI-A and WV WORKS.

Determining countable vehicle assets:

**STEP 1: When the AG Has Only One Vehicle**

One vehicle is excluded, provided the equity does not exceed \$1,500. When the equity of the vehicle is greater than \$1,500, the excess amount is an asset. If the client disagrees with the value or the value cannot be obtained, procedures in Step 2 are followed to determine equity.

**STEP 2: Determining Equity in All Vehicles**

The listed trade-in value of the vehicle is used, unless one of the following conditions exists:

- The client disagrees with the listed value.

The client is responsible for obtaining one estimate on form DFA-V-1, Vehicle Estimate. The Department assumes any expense incurred in obtaining this estimate, using form DF-67. If the Department has no objection to the client's estimate, it is accepted as the value used in determining equity. The listed value is not used once an estimate has been obtained. If the Department determines that the estimate obtained by the client is unreasonable, a second estimate is obtained by the Worker from a qualified appraiser of the Department's choice. Form DF-67 is used to pay for the estimate. This estimate and the client's estimate are averaged to arrive at a value used in determining countable equity.

**STEP 3: Determining Asset Value of All Vehicles**

After equity is determined for each vehicle, \$1,500 is subtracted from the one with the highest equity. Any amount in excess of the \$1,500 is an asset for that vehicle. In addition, the equity in all other vehicles is counted in its entirety.

- 7) WV Income Maintenance Manual § 11.2 A(3) states:

The asset determination must be made as of the date of application.

**VIII. CONCLUSIONS OF LAW:**

- 1) Claimant's assets at the time of her Medicaid application included a 1997 Honda ATV, 2008 Chevrolet Silverado, 1999 Jeep Grand Cherokee and a 1991 utility trailer. Although Claimant subsequently gave away the Honda ATV, Claimant owned the vehicle at the time of application and it must be considered in determining asset eligibility.

- 2) Claimant verified she owed \$2,330 as of the date of application on the 2008 Chevrolet Silverado. Claimant also provided a vehicle estimate valuing the Silverado at \$13,000. This estimate is lower than the amount found in NADA and will be the amount used in determining eligibility. Claimant's equity in the Silverado is calculated as \$10,670 (13,000 minus 2,330).
- 3) Policy stipulates for AFDC-Related Medicaid, \$1,500 equity in one (1) vehicle is excluded and the remaining equity is counted as an asset. Claimant's countable equity in the Silverado is \$9,170 (10,670 minus 1,500). This asset alone exceeds the allowable limit of \$3,050 for Claimant's Assistance Group to be eligible for AFDC-Related Medicaid.
- 4) The Department correctly followed policy in the denial of Claimant's AFDC-Related Medicaid application.

**IX. DECISION:**

It is the decision of the State Hearing Officer to **uphold** the decision of the Department to deny your AFDC-Related Medicaid application due to excessive assets.

**X. RIGHT OF APPEAL:**

See Attachment

**XI. ATTACHMENTS:**

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

**ENTERED this 24<sup>th</sup> day of June 2011**

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**Kristi Logan**  
**State Hearing Officer**