



State of West Virginia
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Inspector General
Board of Review
1027 N. Randolph Ave.
Elkins, WV 26241

Earl Ray Tomblin
Governor

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

September 9, 2011

Dear -----:

Attached is a copy of the Findings of Fact and Conclusions of Law on your hearing held September 7, 2011. Your hearing request was based on the Department of Health and Human Resources' action to terminate your SSI-Related Medicaid benefits and apply a spenddown to your Medicaid case.

In arriving at a decision, the State Hearing 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 SSI-Related Medicaid Program is based on current policy and regulations. Some of these regulations state as follows: Individuals who otherwise meet eligibility requirements but who have income in excess of the established standard will be ineligible for medical coverage unless this excess is insufficient to meet their medical needs. These individuals are required to "spenddown" this excess amount in order to qualify for coverage. For Medicaid purposes, a 6-month period of consideration (POC) is utilized to project countable income. If medical bills sufficient to satisfy the established spenddown are not submitted by the application processing deadline (30 days from application) the application is denied. (West Virginia Income Maintenance Manual Section 10.22)

Information submitted at the hearing revealed that you do not have sufficient medical bills to meet a spenddown.

It is the decision of the State Hearing Officer to **uphold** the action of the Department to terminate SSI-Related Medicaid benefits and apply a spenddown to your Medicaid case.

Sincerely,

Pamela L. Hinzman
State Hearing Officer
Member, State Board of Review

cc: Erika H. Young, Chairman, Board of Review
Stephanie Hurst, FSS, DHHR

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

IN RE: -----,

Claimant,

v.

ACTION NO.: 11-BOR-1618

**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 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 September 7, 2011 on a timely appeal filed July 27, 2011.

It should be noted that the Claimant's benefits have not been continued pending a hearing decision.

II. PROGRAM PURPOSE:

SSI-Related Medicaid is a segment of the Medicaid program available to individuals who meet the requirement of categorical relatedness by qualifying as either aged, disabled, or blind as those terms are defined by the Social Security Administration for purposes of eligibility for SSI.

III. PARTICIPANTS:

-----, Claimant
Stephanie Hurst, Family Support Supervisor, DHHR

Presiding at the hearing was Pamela L. Hinzman, State Hearing Officer and a member of the State Board of Review.

IV. QUESTION TO BE DECIDED:

The question to be decided is whether the Agency was correct in terminating the Claimant's SSI-Related Medicaid benefits and applying a spenddown to her Medicaid case.

V. APPLICABLE POLICY:

West Virginia Income Maintenance Manual Section 10.22, D, 11

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- D-1 Notice of Decision dated June 28, 2011
- D-2 Notice of Decision dated July 28, 2011
- D-3 West Virginia Income Maintenance Manual Section 10.22
- D-4 Income and spenddown calculation information

Claimant's Exhibits:

- C-1 Copy of household bills and information concerning medication costs

VII. FINDINGS OF FACT:

- 1) On June 27, 2011, the Claimant completed a redetermination for her SSI-Related Medicaid and Supplemental Nutrition Assistance Program (SNAP) benefits.
- 2) The Claimant reported the onset of Social Security Disability Income totaling \$569 per month, as verified in Exhibit D-4. As a result of the change in income, the Claimant's SSI-Related Medicaid benefits became subject to a spenddown provision. The amount of the spenddown was determined to be \$2,094 for the six-month Period of Consideration.
- 3) The Claimant was issued a Notice of Decision on June 28, 2011 (D-1) informing her that her SSI-Medicaid benefits would stop after July 2011 as her income was excessive to receive the benefit. Family Support Supervisor Stephanie Hurst testified that the Claimant was given 30 days to provide medical bills to be used toward a spenddown.
- 4) The Claimant was issued a Notice of Decision on July 28, 2011 (D-2) informing her that her June 27, 2011 Medicaid application had been denied based on failure to provide medical bills to meet the spenddown.
- 5) The Claimant did not dispute the amount of her income or the Department's calculation of the spenddown amount, however she provided verification of her household bills (C-1) and stated that she could not meet her monthly expenses on \$569 income. The Claimant indicated she did not have medical bills to be used toward a spenddown because Medicaid had covered her previous expenses. The Claimant voiced her

displeasure with Medicaid requirements and stated that she does not understand why she cannot receive a medical card when others receive the benefit.

- 6) West Virginia Income Maintenance Manual Section 10.22, D, 11 (D-3) states:

To receive a Medicaid card, the monthly countable income of the Needs Group must not exceed the amount of the MNIL (Medically Needy Income Level). If the income of the Needs Group exceeds the MNIL, the client has an opportunity to spend his income down to the MNIL by incurring medical expenses. These expenses are subtracted from the client's income for the 6-month Period of Consideration (POC) until his income is at or below the MNIL for the Needs Group until the POC expires. The spenddown process applies only to AFDC-Related and SSI-Related Medicaid...

This section states that eligibility begins on the date that medical bills bring the spenddown amount to \$0.

- 7) West Virginia Income Maintenance Manual Section 10.22, D, 11 (b) states that the medical bills of the disabled individual, the spouse of the disabled individual and the individual's/spouse's children (under age 18) who live in the home can be used to meet the spenddown.
- 8) West Virginia Income Maintenance Manual Section 10.22, D, 11 (a) states:

If the client does not submit sufficient medical bills by the application processing deadline, the application is denied.

VIII. CONCLUSIONS OF LAW:

- 1) Policy states that if a Needs Group's countable income exceeds specified levels (MNIL), a spenddown must be met prior to SSI-Related Medicaid participation. The Medicaid application is denied if the client does not submit sufficient medical bills to satisfy the established spenddown within the application processing deadline.
- 2) Evidence reveals that the Claimant has a spenddown of \$2,094 and does not presently have sufficient medical bills to satisfy the spenddown requirement. Therefore, the Department acted correctly in denying the Claimant's SSI-Related Medicaid benefits.

IX. DECISION:

It is the decision of the State Hearing Officer to **uphold** the action of the Agency to terminate the Claimant's SSI-Related Medicaid benefits and apply a spenddown to her Medicaid case.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this 9th Day of September, 2011.

**Pamela L. Hinzman
State Hearing Officer**