STATE OF WEST VIRGINIA
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
OFFICE OF INSPECTOR GENERAL

Bill J. Crouch
Cabinet Secretary

BOARD OF REVIEW
Berkeley County DHHR
PO Box 1247
Martinsburg, WV 25402

Jolynn Marra
Interim Inspector General

October 11, 2018

[redacted]

RE: [redacted] v. WV DHHR
ACTION NO.: 18-BOR-2308

Dear [redacted]:

Enclosed is a copy of the decision resulting from the hearing held in the above-referenced matter.

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.

You will find attached an explanation of possible actions you may take if you disagree with the decision reached in this matter.

Sincerely,

Lori Woodward
State Hearing Officer
Member, State Board of Review

Encl: Appellant's Recourse to Hearing Decision
Form IG-BR-29

cc: Jessica Koch, BCF, [redacted] Co. DHHR

WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES
BOARD OF REVIEW

[redacted],

Appellant,

v. Action Number: 18-BOR-2308

WEST VIRGINIA DEPARTMENT OF
HEALTH AND HUMAN RESOURCES,

Respondent.

DECISION OF STATE HEARING OFFICER

INTRODUCTION

This is the decision of the State Hearing Officer resulting from a fair hearing for [redacted]. This hearing was held in accordance with the provisions found in Chapter 700 of the West Virginia Department of Health and Human Resources' Common Chapters Manual. This fair hearing convened on October 4, 2018, on appeal filed September 5, 2018.

The matter before the Hearing Officer arises from the August 23, 2018, decision by the Respondent to deny the Appellant's application for renewal of Modified Adjusted Gross Income (MAGI) Medicaid benefits.

At the hearing, the Respondent appeared by Jessica Koch, Economic Services Supervisor. The Appellant appeared *pro se*. All witnesses were sworn and the following documents were admitted into evidence.

Department's Exhibits:

- D-1 Notice of closure dated August 23, 2018
- D-2 Screen print of Employment Income in the Appellant's eRAPIDS case
- D-3 Screen print of MAGI Medicaid Income Budget in the Appellant's eRAPIDS case
- D-4 WV Income Maintenance Manual policy, Chapter 4, Appendix A

After a review of the record, including testimony, exhibits, and stipulations admitted into evidence at the hearing, and after assessing the credibility of all witnesses and weighing the evidence in consideration of the same, the Hearing Officer sets forth the following Findings of Fact.

FINDINGS OF FACT

1) The Appellant was a recipient of MAGI Medicaid (Adult Medicaid) benefits.

2) The Appellant submitted a medical renewal form in August 2018.

3) The Appellant is a one-person Assistance Group (AG).

4) The Appellant's paystubs from July 13, 2018, July 20, 2018, July 27, 2018 and August 3, 2018 were used to determine an average gross monthly income amount of $1,470. (Exhibit D-2)

5) The Appellant did not dispute the income used in the calculation of the average gross monthly income.

6) The income limit for Adult Medicaid eligibility for an AG of 1 is 133% of the Federal Poverty Level (FPL) which is $1,346. (Exhibit D-4)

7) The Respondent denied Adult Medicaid benefits based on the Appellant's gross income of $1,470 which is over 133% FPL for an AG of 1. The Respondent sent notice of the denial to the Appellant on August 23, 2018. (Exhibits D-1)

APPLICABLE POLICY

West Virginia Income Maintenance Manual (WV IMM), Chapter 3, §3.7, explains that the patient Protection and Affordable Care Act, amended by the Health Care and Education Reconciliation Act of 2010, enacted March 30, 2010, are together referred to as the Affordable Care Act (ACA). The ACA established the categorically mandatory coverage group known as the Adult Group. Effective January 1, 2014, Medicaid coverage is provided to individuals age 19 or older and under age 65 who are not otherwise eligible for and enrolled in another categorically mandatory Medicaid coverage group, and are not entitled to or enrolled in Medicare Part A or B. Eligibility for this group is determined using Modified Adjusted Gross Income (MAGI) methodologies established in Section 4.7.

WV IMM, Chapter 4, §4.7.4, explains that eligibility for MAGI Medicaid is determined by using the following steps:

- Step 1: Determine the MAGI-based gross monthly income for each MAGI household income group (IG).
- Step 2: Convert the MAGI household's gross monthly income to a percentage of the Federal Poverty Level (FPL) by dividing the current monthly income by 100% of the FPL for the household size. Convert the result to a percentage. If the result from Step 2 is equal to or less than the appropriate income limit (133% FPL), no disregard is necessary, and no further steps are required.
- Step 3: If the result from Step 2 is greater than the appropriate limit, apply the 5% FPL disregard by subtracting five percentage points from the converted monthly gross income to determine the household income.

- Step 4: After the 5% FPL income disregard has been applied, the remaining percent of FPL is the final figure that will be compared against the applicable modified adjusted gross income standard for the MAGI coverage groups.

The adjusted gross income is then compared to 133% of the FPL for the appropriate AG size to determine eligibility for MAGI Medicaid.

WV IMM, Chapter 4, Appendix A, lists the income limit for MAGI Medicaid for a one-person AG as $1,346 (133% FPL).

DISCUSSION

The Appellant was a recipient of Adult Medicaid benefits. The Adult Medicaid group is a categorically mandatory Medicaid coverage group established by the ACA. This Medicaid group coverage is provided to individuals age 19 or older and under age 65 who are not otherwise eligible for and enrolled in another categorically mandatory Medicaid coverage group. Eligibility for this group is determined using MAGI methodologies. To qualify for Adult Medicaid benefits, the gross monthly income must be below 133% FPL for the size of the AG. The income limit for an AG of one (1) is $1,346.

The Appellant submitted a Medicaid review form sometime in August 2018. She is a one-person AG. The Respondent used the Appellant's submitted paystubs from July 13, 2018, July 20, 2018, July 27, 2018 and August 3, 2018 to calculate an average gross monthly income of $1,470. Because the Appellant's income was over 133% of the FPL for an AG of 1, the Respondent terminated her Adult Medicaid benefits. Notice of denial was sent to the Appellant on August 23, 2018.

The Appellant did not dispute the calculation of her income; instead, believed that the necessity for her inhaler should be considered in determining her eligibility for Adult Medicaid benefits. Eligibility for Adult Medicaid is determined by gross income and does not consider medical necessity.

The Appellant's gross monthly income of $1,470 exceeded the Adult Medicaid income eligibility limit for a one-person AG.

CONCLUSIONS OF LAW

1) The Adult Medicaid group is a categorically mandatory Medicaid coverage group that determines applicant eligibility by using MAGI methodologies.

2) To be eligible for the Adult Medicaid group coverage, gross income must not exceed 133% of FPL for the appropriate AG size.

3) The income limit for a one-person AG for the Adult Medicaid group is $1,346.

4) The Appellant is a one-person AG with a gross monthly income of $1,470.

5) The Respondent correctly terminated the Appellant's Adult Medicaid benefits due to her income exceeding the income eligibility limit for her AG size.

DECISION

It is the decision of the State Hearing Officer to **UPHOLD** the Respondent's termination of Adult Medicaid (MAGI) benefits.

ENTERED this 11th day of October 2018.

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Lori Woodward, State Hearing Officer