



State of West Virginia  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
Office of Inspector General  
Board of Review  
P.O. Box 970  
Danville, WV 25053

Joe Manchin III  
Governor

Martha Yeager Walker  
Secretary

June 29, 2007

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear \_\_\_\_\_:

Attached is a copy of the findings of fact and conclusions of law on your hearing held May 22, 2007. Your hearing request was based on the Department of Health and Human Resources' action to deny benefits under the WV Children's Health Insurance Program (WV CHIP).

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 WV Children's Health Insurance Program is based on current policy and regulations. Some of these regulations state as follows: One of the requirements is that the child is not eligible for a state group health plan on a family member's employment with a public agency. This includes, but is not limited to, county and municipal employees and school board employees. This requirement is based on eligibility for such coverage, not on the receipt of it. PEIA, including HMO coverage, is a state group health plan, so the children of WV State employees are not eligible for WV CHIP. (Section 7.14A of the West Virginia Income Maintenance Manual)

The information which was submitted at your hearing revealed that your child is eligible for health insurance through PEIA.

It is the decision of the State Hearing Officer to **uphold** the action of the Department to deny benefits under WV CHIP.

Sincerely,

Cheryl McKinney  
State Hearing Officer  
Member, State Board of Review

cc: Erika H. Young, Chairman, Board of Review  
Henrietta Martin, [REDACTED] DHHR

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

\_\_\_\_\_,  
**Claimants,**

**v.**

**Action Number: 07-BOR-1068**

**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 May 22, 2007 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 May 22, 2007 on a timely appeal, filed March 28, 2007.

**II. PROGRAM PURPOSE:**

The Program entitled WV Children's Insurance is set up cooperatively between the Federal and State governments and administered by the West Virginia Department of Health & Human Resources.

Medical coverage under the WV Children's Health Insurance Program (**WV CHIP**) is health insurance administered through the Public Employees Insurance Agency (PEIA) with benefits provided by Acordia National for children from age 1 through age 18. WV CHIP is a means-tested insurance program for which the Department determines eligibility and provides information to PEIA for administration.

### **III. PARTICIPANTS:**

\_\_\_\_\_, Claimant  
Jennifer Mitchell, Department Hearing Representative

Presiding at the hearing was Cheryl McKinney, State Hearing Officer and a member of the State Board of Review.

### **IV. QUESTIONS TO BE DECIDED:**

The question to be decided is whether the Department was correct in the decision to deny benefits under WV CHIP because of other insurance coverage.

### **V. APPLICABLE POLICY:**

Section 7,14A of the West Virginia Income Maintenance Manual

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

#### **Department's Exhibits:**

- D-1 Department Summary
- D-2 Section 7.14 of the WV Income Maintenance Manual
- D-3 Letter from [REDACTED] Commission dated March 16, 2007

#### **Claimant's Exhibits:**

- C-1 Notification letter dated March 9, 2007
- C-2 Notification letter dated March 9, 2007

### **VII. FINDINGS OF FACT:**

- 1) On March 4, 2007 the Department received the Claimant's review application online through the Rapids system. The Claimant reported new employment with [REDACTED] earning \$813.00 semi-monthly for a total countable monthly income of \$1747.95. The Claimant also reported she had health insurance with Public Employees Insurance Agency (PEIA) which did not include coverage for her son. She reportedly pays \$87.37 monthly for this coverage.
- 2) The Department sent the Claimant a letter (C-1) dated March 9, 2007 which reads in part: Action: Your WV Children's Health Insurance Program (WV CHIP) will stop. You will not receive this benefit after March 2007. Reason: Each individual has failed for the reasons stated below. The following individuals are ineligible. \_\_\_\_\_. You are eligible for a State Insurance Plan.

- 3) The Claimant contacted the Department after receiving the denial notification letter. The Department explained that the only way the Claimant could continue eligibility was if the employer was paying less than \$10.00 more monthly to add her child to her plan. The Claimant then verified (D-3) that she is obligated to pay 20% of her premium monthly which is \$161.67. The Department arrived at a total monthly premium being \$808.35 for 100% premium which leaves the employer's 80% at \$646.68. The Department determined that the employer is contributing more than \$10.00 per month to receive family coverage, and therefore determined that this policy would not allow an exception in the Claimant's case situation.
- 4) Testimony from the Claimant revealed that she cannot afford to pay for the premiums for the health insurance coverage for her son.
- 5) The requirements for WV CHIP children are outlined in Section 7.14A of the West Virginia Income Maintenance Manual. One of these requirements is does not have individual or group health insurance coverage. Most children with health coverage will not qualify for WV CHIP. Another requirement is that the child is not eligible for a state group health plan on a family member's employment with a public agency. This includes, but is not limited to, county and municipal employees and school board employees. This requirement is based on eligibility for such coverage, not on the receipt of it. PEIA, including HMO coverage, is a state group health plan, so the children of WV State employees are not eligible for WV CHIP. **NOTE:** This requirement does not apply if the public agency contributes less than \$10 more per family, per month toward the cost of dependent coverage, than their contribution toward the cost of covering the employee only.

#### **VIII. CONCLUSIONS OF LAW:**

- 1) One of the eligibility criteria for WV CHIP is that the child is not eligible for a state group health plan on a family member's employment with a public agency. This includes, but is not limited to, county and municipal employees and school board employees. This requirement is based on eligibility for such coverage, not on the receipt of it. PEIA, including HMO coverage, is a state group health plan, so the children of WV State employees are not eligible for WV CHIP.
- 2) The child in this case is eligible for medical coverage through PEIA as his mother is a state employee, and the employer is obligated to pay more than \$10.00 monthly toward the cost of dependent coverage.
- 3) The denial of the case is valid.

#### **IX. DECISION:**

It is the finding of the State Hearing Officer that the Department is **upheld** in the decision to deny benefits for WV CHIP.

**X. RIGHT OF APPEAL:**

See Attachment

**XI. ATTACHMENTS:**

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

**ENTERED this 29th Day of June, 2007.**

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**Cheryl McKinney  
State Hearing Officer**