

**WEST VIRGINIA DEPARTMENT OF HEALTH & HUMAN RESOURCES  
SUMMARY AND DECISION OF THE STATE HEARING OFFICER**

**I. INTRODUCTION:**

This is a report of the State Hearing Officer resulting from a fair hearing concluded on April 5, 2005 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 April 5, 2005 on a timely appeal, filed January 31, 2005.

It should be noted here that the claimant's benefits have been denied.

**II. PROGRAM PURPOSE:**

The Program entitled SSI-Related Medicaid is set up cooperatively between the Federal and State governments and administered by the West Virginia Department of Health & Human Resources.

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  
Sharon Newman, Department Hearing Representative

**IV. QUESTIONS TO BE DECIDED:**

The question to be decided is whether the Agency is correct in the decision to deny the claimant's application under SSI-Related Medicaid as the claimant could not meet the eligibility factor of spenddown.

**V. APPLICABLE POLICY:**

**Appendix A, Chapter 10 of the West Virginia Income Maintenance Manual reads:**

The MNIL for a one person assistance group is \$200.00.

**Section 10.22C of the West Virginia Income Maintenance Manual reads in part:**

For SSI-Related Medicaid, countable income is determined as follows:

Step 1: Determine the total non-excluded gross unearned income and subtract the \$20 Disregard.

Step 2: Determine the total non-excluded earned income. Subtract the following in order:

Remainder of SSI \$20 Disregard

SSI \$65 + 2 Earned Income Disregard

SSI Impairment-Related Expenses

One-half of Remaining Earned Income

SSI Work-Related Expense Deductions (Blind persons only)

Earnings Diverted to PASS

Step 3: Add unearned income from Step 1 above.

Step 4: Subtract unearned income diverted to a PASS account, the Death Benefits deduction and, for children, the child support disregard.

The result is the total monthly countable income.

Step 5: Compare the amount in Step 4 to the MNIL for the appropriate number of persons.

If the net countable income is equal to or less than the appropriate MNIL, the AG is eligible without a spenddown. If it is in excess of the appropriate MNIL, the AG must meet a spenddown.

**Section 10.22D#11 of the West Virginia Income Maintenance Manual reads in part:**

In order to receive a Medicaid card, the monthly countable income of the Needs Group must not exceed the amount of the MNIL. 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, or until the POC expires. The spenddown process applies only to AFDC-

Related and SSI-Related Medicaid. If the client does not submit sufficient medical bills by the deadline, the application is denied.

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

Department' Exhibits:

Exhibit D-1) Department's Summary  
Exhibit D-2) Hearing Appointment Letter dated 02/08/05  
Exhibit D-3) Form IG-BR-29, Hearing/Grievance Record Information  
Exhibit D-4) Fair Hearing Request received 01/31/05  
Exhibit D-5) Combined Application and Review Form dated 01/20/05  
Exhibit D-6) Copy of OFS-RR 1 dated 01/21/05  
Exhibit D-7) Copy of denial letter dated 01/21/05  
Exhibit D-8) Copy of Case Comments  
Exhibit D-9) Section 10.22 of the West Virginia Income Maintenance Manual

**VII. FINDINGS OF FACT:**

- 1) The claimant applied for SSI-Related Medicaid on 01/20/05. Income listed is from a Social Security Disability payment of \$839.00 and other income (miner's pension) of \$187.67. He had previously been receiving SSI. (Exhibit D-5)
- 2) Spenddown was explained to the claimant. He stated he did not have any bills to meet a spenddown, (Exhibit D-8)
- 3) The claimant was sent a notice dated 01/21/05 informing him the application for Medicaid had been denied as he stated he did not have medical bills to meet a spenddown. (Exhibit D-7)
- 4) The claimant requested a hearing on the above denial. (Exhibit D-4)
- 5) The claimant testified he will be 63 years of age in July. He is receiving Social Security of \$839 and a miner's pension of \$187, He does not have Medicare. His medication costs approximately \$180 - \$190 per month.

**VIII. CONCLUSIONS OF LAW:**

- 1) Policy dictates that if the net countable monthly income is equal to or less than the appropriate MNIL, the AG is eligible without a spenddown. If it is excess of the appropriate MNIL, the AG must meet a spenddown. The MNIL for this case is \$200.

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- 2) The claimant would only receive the \$20.00 Disregard from his gross income of \$1026.  $\$1006 - \$200 \text{ (MNIL)} = \$806$ . The claimant would have a spenddown as his countable monthly income is in excess of the MNIL. ..
- 3) The claimant does not have any bills to meet a spenddown.

**IX. DECISION:**

It is the finding of the State Hearing Officer that the claimant would be required to meet a spenddown in order to qualify for a medical card. The Agency is upheld in the decision to deny the claimant's application for the SSI-Related Medicaid Program because the eligibility requirement of spenddown could not be met.

**X. RIGHT OF APPEAL:**

See Attachment

**XI. ATTACHMENTS:**

The Claimant's Recourse to Hearing Decision

Form IG-BR-29