



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

Joe Manchin III
Governor

Martha Yeager Walker
Secretary

April 9, 2008

Dear Ms. _____:

Attached is a copy of the findings of fact and conclusions of law on your hearing held April 8, 2008. Your hearing request was based on the Department of Health and Human Resources' decision to terminate your SSI-Related Medicaid for failure to meet a spenddown.

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 SSI-Related Medicaid 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 six month period of consideration (POC) is used to project countable income. If medical bills sufficient to satisfy the established spenddown are not submitted, the application is denied. (West Virginia Income Maintenance Manual ' 10.22)

The information which was submitted at your hearing revealed that your countable income exceeds the maximum limits for SSI-Related Medicaid and you do not have any outstanding medical expenses to meet your spenddown amount of \$3738.

It is the decision of the State Hearings Officer to **uphold** the decision of the Department to terminate your SSI-Related Medicaid.

Sincerely,

Kristi Logan
State Hearings Officer
Member, State Board of Review

Cc: Erika H. Young, Chairman, Board of Review
Fred Burns, Economic Service Supervisor

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

Claimant,

Action Number: 08-BOR-982

**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 April 8, 2008 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 8, 2008 on a timely appeal, filed February 12, 2008.

It should be noted here that the claimant's benefits have been continued pending a hearing decision.

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.

The SSI Related Medicaid Program 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
Fred Burns, Economic Service Supervisor

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

IV. QUESTIONS TO BE DECIDED:

The question(s) to be decided is whether the Department's decision to terminate Claimant's SSI-Related Medicaid was correct.

V. APPLICABLE POLICY:

West Virginia Income Maintenance Manual §2.16 , 16.9, 10.22 and Appendix A

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- D-1 Notification Letter dated February 1, 2008
- D-2 West Virginia Income Maintenance Manual § 10.22
- D-3 Case Comments from Rapids Computer System dated January 31, 2008 and February 12, 2008

Claimants' Exhibits:

- C-1 Correspondence from Dr. [REDACTED] dated February 20, 2008
- C-2 Generic Ambulatory Medication Reconciliation from [REDACTED] dated March 14, 2008
- C-3 Discharge Instructions from [REDACTED] Hospital dated March 27, 2008

VII. FINDINGS OF FACT:

- 1) Claimant reported to the Customer Service Center on January 31, 2008 that she had been approved for Social Security Disability. This income of \$843.00 monthly was verified via Social Security Administration's online query system and was added to Claimant's case (D-3).

The addition of this income changed Claimant's Medicaid coverage group from SSI-Related Medicaid to SSI-Related Medicaid with a spenddown. Claimant advised the Customer Service Center representative that she did not have any outstanding medical bills.

- 2) A notification letter was issued February 1, 2008 which read in part (D-1):

Your application for Medicaid dated November 9, 2007 has been denied.
Reason: You stated you do not have medical bills to meet your spenddown. The amount of your spenddown is \$3738.

- 3) Claimant testified that she had multiple health problems that required continual doctor's care and is on prescription medication. She stated she participates in an indigent prescription medication program but would not be eligible for Medicare until January 2010. She had bladder surgery in March 2008 that requires follow up care.

Claimant began receiving Social Security Disability effective February 2008 of \$843.00 monthly. Claimant stated she does not have any outstanding medical bills.

- 4) West Virginia Income Maintenance Manual § 2.16 A states:

Case maintenance action is required to update the data system when a Medicaid Assistance Group (AG) has a change of income. If the AG previously did not have a spenddown and now has one, the AG is closed and reopened with a new period of consideration.

- 5) West Virginia Income Maintenance Manual § 16.9 states:

Individuals who meet the SSI definition of aged, blind or disabled are eligible for Medicaid when the income is under the Medically Needy Income Level (MNIL). However, no SSI-Related case is denied due only to excessive income. Instead, incurred medical bills are deducted from countable income for the six month Period of Consideration (POC). This process is called a spenddown.

- 6) West Virginia Income Maintenance Manual § 10.22 B (11) states:

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 six month POC, until this income is at or below the MNIL for the Needs Group until the POC expires.

- 7) West Virginia Income Maintenance Manual 10 Appendix A shows the MNIL level for a Needs Group of 1 as \$200.

VIII. CONCLUSIONS OF LAW:

- 1) Claimant's Social Security Disability income of \$843 monthly exceeds the MNIL level of \$200. The onset of this income caused Claimant to be required to meet the spenddown provision as indicated in policy to continue Medicaid.
- 2) Claimant does not have any outstanding medical bills to meet a spenddown.
- 3) Claimant no longer meets the financial eligibility criteria as set forth in policy to continue receiving SSI-Related Medicaid.

IX. DECISION:

It is the decision of the State Hearing Officer to uphold the Department's decision to terminate Claimant's SSI-Related Medicaid for failure to meet a spenddown.

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this 9th Day of April, 2008.

**Kristi Logan
State Hearing Officer**