



STATE OF WEST VIRGINIA
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
OFFICE OF INSPECTOR GENERAL
BOARD OF REVIEW
203 East Third Avenue
Williamson, WV 25661

Earl Ray Tomblin
Governor

Karen L. Bowling
Cabinet Secretary

February 4, 2015

[REDACTED]

RE: [REDACTED] v. WV DHHR
ACTION NO.: 14-BOR-3208

Dear Ms. [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,

Stephen M. Baisden
State Hearing Officer
Member, State Board of Review

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

cc: Robert Lane, Criminal Investigator

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

████████████████████,

Defendant,

v.

Action Number: 14-BOR-3208

**WEST VIRGINIA DEPARTMENT OF
HEALTH AND HUMAN RESOURCES,**

Movant.

DECISION OF STATE HEARING OFFICER

INTRODUCTION

This is the decision of the State Hearing Officer resulting from an Administrative Disqualification Hearing for ██████████, requested by the Movant on September 22, 2014. This hearing was held in accordance with the provisions found in Chapter 700 of the West Virginia Department of Health and Human Resources' (WV DHHR) Common Chapters Manual and Federal Regulations at 7 CFR §273.16. The hearing was convened on January 14, 2015.

The matter before the Hearing Officer arises from a request by the Department for a determination as to whether the Defendant has committed an intentional program violation and thus should be disqualified from the Supplemental Nutrition Assistance Program (SNAP) for 12 months.

At the hearing, the Department appeared by Robert Lane, Criminal Investigator. The Defendant did not appear, despite being informed of the hearing date and time by a letter sent via U.S. Postal Service first-class mail. The participant was sworn and the following documents were admitted into evidence.

Movant's Exhibits:

- M-1 Code of Federal Regulations, 7 CFR §273.16
- M-2 WV Income Maintenance Manual (IMM) Chapter 1, §1.4
- M-3 WV IMM Chapter 9, §9.1
- M-4 WV IMM Chapter 20, §20.2
- M-5 Letter from the U.S. Department of Agriculture, Food and Nutrition Service, Supplemental Nutrition Assistance Program, to ██████████ dated January 14, 2014

- M-6 Letter from the U.S. Department of Agriculture, Food and Nutrition Service, Supplemental Nutrition Assistance Program, to [REDACTED] dated April 1, 2014
- M-7 SNAP review/redetermination form, signed and dated by Defendant on April 8, 2014
- M-8 Electronic Benefits Transfer (EBT) Transaction History, listing EBT purchases from November 7, 2011, to December 20, 2013

Defendant's Exhibits:

None

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 Department's representative contends the Defendant committed an Intentional Program Violation and should be disqualified from SNAP for twelve months because she trafficked her SNAP benefits.
- 2) The US Department of Agriculture's (USDA) Food and Nutrition Service (FNS), which has oversight of SNAP, notified the WV DHHR that the FNS had disqualified the [REDACTED] of [REDACTED], from being a SNAP vendor because the business had trafficked in SNAP benefits. FNS provided the DHHR with a list of SNAP recipients deemed to have trafficked their SNAP benefits at the [REDACTED]. The Defendant was one of those individuals, identified by his SNAP usage at that retail establishment.
- 3) The FNS sent a notification letter (Exhibit M-5) to the [REDACTED] on January 18, 2014, informing the owners and/or managers that the business was charged with trafficking in SNAP, due to "clear and repetitive patterns of unusual, irregular and inexplicable activity" for this type of establishment. The notification letter contained a list of the suspected illegal purchases, identified by the terminal or cash register number, date and time, last four digits of the purchaser's EBT card, purchase amount, and an indication as to whether the card was "swiped" or passed through an electronic card reader or a clerk manually entered the card number.
- 4) The FNS sent a second notification letter (Exhibit M-6) to the [REDACTED] on April 1, 2014, informing the owners and/or managers that the FNS determined SNAP trafficking had occurred at the business, that the business was permanently disqualified as a SNAP vendor, and that the business was subject to a monetary fine and possible prosecution.

- 5) The Department's representative identified one purchase by the Defendant from the January 2014 notification letter (Exhibit M-5) which indicates trafficking. This purchase was made on November 11, 2013, in the amount of \$93.48.
- 6) The Department's representative submitted as evidence a print-out of the Defendant's Electronic Benefit Transfer (EBT) transaction history (Exhibit M-8), which lists the November 11, 2013, purchase as described above. The transaction history describes purchases beginning on November 11, 2011. It lists purchases made at an EBT vendor named "[REDACTED]," which the Department's representative stated was a convenience store in [REDACTED], about 27 miles from [REDACTED]. The transaction history describes numerous high-dollar and even-dollar purchases at this location, such as the following: November 8, 2011, \$105.00; January 12, 2012, \$180.01; February 7, 2012, \$120.00; May 8, 2012, \$110.00; June 11, 2012, \$80.00; July 14, 2012, \$150.00; August 9, 2012, \$150.01; October 7, 2012, \$161.00; November 7, 2012, \$205.00.
- 7) The Department's representative stated that these transactions were identified as trafficking transaction because of their high dollar amounts and their even-dollar amounts. He stated that the [REDACTED] is a small convenience store in a rural area of [REDACTED], and it would not be likely that a SNAP recipient would purchase a large amount of his or her groceries at such a store. He stated that [REDACTED] also is a small convenience store wherein it is unlikely that a SNAP recipient would spend the majority of his or her SNAP benefits. He added that the USDA FNS investigated the business known as [REDACTED] and had disqualified it as a SNAP vendor due to trafficking.

APPLICABLE POLICY

WV Income Maintenance Manual Chapter 20, §20.2.C.2 provides that once an IPV (Intentional Program Violation) is established, a disqualification penalty is imposed on the AG members who committed the IPV. The penalties are as follows: First Offense – one year disqualification; Second Offense – two years disqualification; Third Offense – permanent disqualification.

Pursuant to the Code of Federal Regulations 7 CFR §273.16, an Intentional Program Violation shall consist of having intentionally: 1. Made a false or misleading statement, or misrepresented, concealed or withheld facts; or 2. Committed any act that constitutes a violation of the Food Stamp Act, the Food Stamp Program Regulations, or any State statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing or trafficking of coupons, authorization cards or reusable documents used as part of an automated benefit delivery system access device.

DISCUSSION

The Department's case against the Defendant appears to be circumstantial. The list of transactions the FNS included on its notification letter to the [REDACTED] (Exhibit M-5) only contained one large-amount purchase made by the Defendant for \$93.48. However, the investigation into the Defendant's SNAP usage uncovered a much more extensive and obvious

pattern of SNAP trafficking at a second location in the state of [REDACTED]. Also, the Defendant did not appear at the hearing to refute these allegations.

Therefore, in the absence of any evidence or testimony to the contrary, the Department proved by clear and convincing evidence that the Defendant committed an Intentional Program Violation (IPV) by trafficking in SNAP benefits.

CONCLUSIONS OF LAW

- 1) Pursuant to the Code of Federal Regulations 7 CFR §273.16, the Department established that the Defendant trafficked in SNAP benefits at small convenience stores in [REDACTED], and in the state of [REDACTED]. The Defendant committed an Intentional Program Violation by doing this.
- 2) The Department must impose a disqualification penalty. The disqualification penalty for a first offense is one year.

DECISION

It is the ruling of the Hearing Officer that the Defendant committed an Intentional Program Violation. She will be disqualified from participating in SNAP for twelve months, beginning March 1, 2015.

ENTERED this 4th Day of February 2015.

**Stephen M. Baisden
State Hearing Officer**