



State of West Virginia
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Inspector General
Board of Review
9083 Middletown Mall
White Hall, WV 26554

Earl Ray Tomblin
Governor

Rocco S. Fucillo
Cabinet Secretary

August 14, 2012

Dear -----:

Attached is a copy of the Findings of Fact and Conclusions of Law on your hearing held August 13, 2012. Your hearing request was based on the Department of Health and Human Resources' action to deny your application for Supplemental Nutrition Assistance Program (SNAP) and Qualified Individual I (QI-1) benefits.

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 and benefit levels for SNAP and Medicaid benefits are based on current policy and regulations. Some of these regulations state that eligibility for SNAP and Medicaid benefits are based on the determination of countable household [net] income (that income remaining after all appropriate disregards and deductions are applied) and the number of individuals in the benefit group. (West Virginia Income Maintenance Manual, Chapter 10.4, 10.16, and 7 CFR §273.10(e) - Code of Federal Regulations)

Information submitted at your hearing revealed that your monthly countable household income exceeds the maximum allowable net income for SNAP and QI-1 benefits.

It is the decision of the State Hearing Officer to **uphold** the action of the Department in denying your June 19, 2012 application for SNAP and QI-1 benefits.

Sincerely,

Thomas E. Arnett
State Hearing Officer
Member, State Board of Review

cc: Erika H. Young, Chairman, Board of Review
Mark Paree, ESS, DHHR

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

-----,

Claimant,

v.

**Action Number: 12-BOR-1702 (SNAP)
12-BOR-1703 (QI-1 Medicaid)**

**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 hearing 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 August 13, 2012, on a timely appeal filed July 9, 2012.

II. PROGRAM PURPOSE:

The purpose of SNAP is to provide an effective means of utilizing the nation's abundance of food "to safeguard the health and well-being of the nation's population and raise levels of nutrition among low-income households." This is accomplished through the issuance of EBT benefits to households who meet the eligibility criteria established by the Food and Nutrition Service of the U.S. Department of Agriculture

The Qualified Medicare Beneficiaries (QMB), the Specified Low Income Medicare Beneficiaries (SLIMB), and the Qualified Individuals (QI-1 and QI-2) Programs provide limited coverage under the Medicaid Program for eligible individuals or couples who are eligible for Medicare, Part A and who meet specified income tests. The QMB program has a lower maximum income level and provides coverage of all Medicare co-insurance and deductibles as well as payment of the Medicare premium. SLIMB and QI-1 have higher maximum income levels and provide only for the payment of the Medicare Part B premium.

III. PARTICIPANTS:

-----, Claimant
Mark Paree, ESS, WVDHHR

Presiding at the Hearing was Thomas E. Arnett, State Hearing Officer and a member of the State Board of Review.

IV. QUESTION TO BE DECIDED:

The question to be decided is whether or not the Department was correct in its decision to deny the Claimant's June 2012 application for SNAP and QI-1 Medicaid benefits.

V. APPLICABLE POLICY:

West Virginia Income Maintenance Manual, Chapter 10.4, 10.16, and Chapter 10, Appendix A
7 CFR § 273.9 & 7 CFR § 273.10 - Code of Federal Regulations

VI. LISTING OF DOCUMENTARY EVIDENCE ADMITTED:

Department's Exhibits:

- D-1 Case Comments dated June 19, 2012
- D-2 Claimant's verified household income
- D-3 Notice of Decision dated June 21, 2012
- D-4 West Virginia Income Maintenance Manual, Chapter 10, Appendix A

VII. FINDINGS OF FACT:

- 1) On June 19, 2012, the Claimant completed an application for participation in the Supplemental Nutrition Assistance Program (SNAP) and Qualified Individual-1 (QI-1) benefits.
- 2) On or about July 21, 2012, the Claimant was notified via a Notice of Decision (D-3) that his application for SNAP benefits was denied. Exhibit D-3 indicates that the Claimant and his spouse (-----), a 2-person Assistance Group (AG), exceed the SNAP and QI-1 income limit.
- 3) The Claimant contended that he should have received an income deduction for a "SBA loan" payment and an existing car payment on his Honda Odyssey. However, there was no policy or regulations cited to indicate an income deduction for SNAP or QI-1 benefits should be applied.
- 4) The West Virginia Department of Health and Human Resources (Department) representative, Mark Paree, an Economic Services Supervisor (ESS) in the ----- County office, cited policy in the West Virginia Income Maintenance Manual, Chapter 10, and noted that the SNAP and QI-1 Program does not allow a deduction for a loan or car payment. Because the Claimant's AG includes an individual who is elderly or disabled, the net income test was used to determine SNAP eligibility.

- 5) The following calculations were used in determining SNAP eligibility for the purpose of this hearing:

The 2-person AG total monthly income is \$2124.80 (----- \$1442.90 & ----- \$681.90):

| | |
|------------------|--|
| 2124.80 | Monthly Unearned Income |
| - 147.00 | Standard deduction |
| - 234.80 | Medical Deduction (medical expenses in excess of \$35) |
| - 83.50 | Shelter/Utility Deduction |
| <u>\$1659.50</u> | Countable Monthly Income |

Pursuant to Chapter 10, Appendix A (Exhibit D-4) – The maximum allowable net income for a 2-person Assistance Group is \$1594.

- 6) West Virginia Income Maintenance Manual, Chapter 10.4, contains policy regarding income disregards and deductions, and explains the computations used to determine eligibility for SNAP benefits.

A Standard Deduction (\$147) is applied to the total non-excluded income counted for the AG after application of the Earned Income Disregard. (It should be noted that “unearned” income is not eligible to receive the 20% Earned Income Disregard).

Medical expenses in excess of \$35 must be allowed as a medical deduction. Only the medical expenses of AG members who are elderly, which is at least age 60, or disabled, as defined in Section 12.15,B, are considered. Once the medical expenses of all such AG members have been totaled, the amount of the total in excess of \$35 is used as a medical deduction. There is no maximum dollar limit for the amount of a medical deduction. Thirty-five dollars (\$35) is deducted from the total amount of expenses for the AG, not \$35 from each person's expenses.

After all other exclusions, disregards and deductions have been applied, 50% of the remaining income is compared to the total monthly shelter costs and the appropriate Standard Utility Allowance (SUA). If the shelter costs/SUA exceeds 50% of the remaining income, the amount in excess of 50% is deducted.

When at least one AG member is elderly, which is at least age 60, or disabled as specified in Section 12.15,B, eligibility is determined by comparing the countable income to the maximum net monthly income found in Appendix A. There is no gross income test.

- 7) West Virginia Income Maintenance Manual, Chapter 10.16, provides that the only income deduction for the QI-1 Program is a \$20 disregard. Therefore, the AG’s countable monthly income for QI-1 benefits is \$2104.80 (\$2124.80-\$20). Pursuant to Chapter 10, Appendix A, the maximum allowable income for a 2-person QI-1 AG is \$1703.00. The Claimant’s AG exceeds the QI-1 income limit by \$401.80.

VIII. CONCLUSIONS OF LAW:

- 1) The regulations that govern SNAP benefits state that when at least one AG member is elderly or disabled, eligibility is determined by comparing the AG's countable income (the income remaining after all allowable deductions) to the maximum net monthly income limit found in Chapter 10, Appendix A. The countable monthly income for QI-1 is determined by applying a \$20 disregard and comparing to the maximum allowable income found in Chapter 10, Appendix A.
- 2) A review of the evidence reveals that the correct amount of verified income and income deductions were applied when determining the Claimant's eligibility for SNAP. The Claimant's monthly net income for SNAP benefits is \$1659.50. Whereas the maximum allowable net income for a 2-person AG cannot exceed \$1594, the Claimant is not eligible for SNAP benefits.
- 3) Evidence reviewed for QI-1 eligibility reveals that the Claimant's countable (net) monthly income is \$2104.80. Because the Claimant's monthly countable income exceeds the maximum allowable income for a 2-person AG (\$1703), the Claimant's application for QI-1 benefits was correctly denied.
- 4) Based on the evidence presented at the hearing, the Department was correct in denying the Claimant's June 19, 2012 application for SNAP and QI-1 benefits.

IX. DECISION:

It is the decision of the State Hearing Officer to **uphold** the action of the Department in denying the Claimant's June 2012 application for SNAP and QI-1 benefits

X. RIGHT OF APPEAL:

See Attachment

XI. ATTACHMENTS:

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

ENTERED this ____ Day of August 2012

**Thomas E. Arnett
State Hearing Officer**