



**State of West Virginia**  
**DEPARTMENT OF HEALTH AND HUMAN RESOURCES**  
**Office of Inspector General**  
**Board of Review**  
**150 Maplewood Avenue**  
**Lewisburg, WV 24901**

**Joe Manchin III**  
**Governor**

**Martha Yeager Walker**  
**Secretary**

October 16, 2007

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

Dear Mr. & Mrs. \_\_\_\_\_:

Attached is a copy of the findings of fact and conclusions of law on your hearing held October 15, 2007. Your hearing request was based on the Department of Health and Human Resources' proposal to terminate your food stamp and Medicaid 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 for the Food Stamp and SSI-Related Medicaid Programs are based on current policy and regulations. Some of these regulations state as follows: In cases with unearned income, coupon allotments are calculated by adding all non-excluded unearned income, subtracting the standard deduction, subtracting allowable medical expenses in excess of \$35, subtracting any legally obligated child support, giving a deduction for the amount of shelter/utility expenses in excess of 50% of the adjusted income and then comparing the resulting countable income to the Basis of Issuance Chart in Appendix C of Chapter 10. (WV Income Maintenance Manual Section 10.4(c) and 7 CFR 273.10(e). Spenddown cases are not redetermined and are closed at the end of the 6<sup>th</sup> month of the POC. The client must reapply for a new POC. (Section 1.22 N #2 of the West Virginia Income Maintenance Manual)

The information which was submitted at your hearing revealed that your household income has increased. The net countable income exceeds the guidelines for food stamps. Also, the Medicaid POC ended 08/31/2007. You will need to reapply for a new period of consideration and meet another spenddown.

It is the decision of the State Hearing Officer to uphold the proposal of the Department to terminate your food stamp and Medicaid benefits.

Sincerely,

Margaret M. Mann  
State Hearing Officer  
Member, State Board of Review

cc: Erika H. Young, Chairman, Board of Review  
Susan Godby, DHHR

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

\_\_\_\_\_,

**Claimant,**

**v.**

**Action Numbers: 07-BOR-1992 &1991**

**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 October 15, 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 October 15, 2007 on a timely appeal, filed August 20, 2007. It should be noted that this hearing was originally scheduled for September 18, 2007. The Claimant could not keep the above appointment and the hearing was rescheduled for October 15, 2007.

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

**II. PROGRAM PURPOSE:**

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

The purpose of the Food Stamp Program 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 food coupons to households who meet the eligibility criteria established by the Food and Nutrition Service of the U.S. Department

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

\_\_\_\_\_, Claimant

Susan Godby, Department Hearing Representative

Presiding at the hearing was Margaret M. Mann, State Hearing Officer and a member of the State Board of Review.

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

The questions to be decided are 1) whether the Department is correct in the decision to terminate the Claimant's food stamps as the household income increased and 2) whether the Department is correct in the decision to discontinue the medical card as the Period of Consideration ended.

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

Appendix A, Chapter 10, Sections 1.22N #2, 1.22R #2d and 10.4C #2 of the West Virginia Income Maintenance Manual  
7 CFR 273.9

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

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

- D-1 Form IG-BR-29 Hearing/Grievance Record Information
- D-2 Notification Letters dated 08/08/2007, 08/14/2007 & 08/17/2007
- D-3 Sections 1.22N & 1.22R of the Income Maintenance Manual
- D-4 Department's Summary
- D-5 RAPIDS Screen EFAD Food Stamp Allotment Determination

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

- 1) The Claimants are recipients of food stamps and SSI-Related Medicaid. PB was approved for Social Security in the amount of \$642.00 plus \$93.50 Medicare in August 2007. RB receives \$914.00 in Social Security (this includes Medicare). The income totals \$1649.50. Testimony from the Department's representative revealed the Claimant's do not have enough bills to meet a spenddown of \$8127.

- 2) A Medicaid notice was sent to the Claimants dated 08/17/2007. It reads in part: Your Medicaid will end 08/31/07. Reason: The time limit for this coverage has expired. If you wish to be re-evaluated for Medicaid, you must reapply for coverage. (Exhibit D-2)
- 3) A food stamp notice was sent dated 08/14/2007. It reads in part: Your Food Stamps will stop. You will not receive this benefit after August 2007. Reason: Income is too much for you to receive benefits. Income is more than the net income limit for you to receive benefits. Your income has increased. (Exhibit D-2)
- 4) The notice also evaluated the Claimants for other Medicaid coverage groups and found the income was excessive. (Exhibit D-2)
- 5) The Claimants agree with the income the Department is using to determine eligibility. Their mortgage payment is \$482.
- 6) Screen EFAD, Food Stamp Allotment Determination, shows the following calculations. Gross Unearned Income: \$1649.50 less standard deduction \$134, less medical deduction \$35, less shelter/utility deduction \$88.72 equals \$1391.78.
- 7) Appendix A, Chapter 10 of the West Virginia Income Maintenance Manual shows that the gross income (130%) for a food stamp AG of two is \$1430. The net income (100%) is \$1100 for an AG of two.
- 8) Appendix A, Chapter 10 of the West Virginia Income Maintenance Manual reads in part that the monthly Medically Needy Income Level (MNIL) for an AG of 2 is \$275.00.
- 9) Section 10.22 C of the West Virginia Income Maintenance Manual reads in part that if the net countable 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 met a spenddown.
- 10) Section 1.22N #2 of the West Virginia Income Maintenance Manual reads in part that spenddown cases are not redetermined and are closed at the end of the 6<sup>th</sup> month of the POC. The client must reapply for a new POC.
- 11) Section 1.22R #2d of the West Virginia Income Maintenance Manual reads in part that spenddown AG's are mailed a computer-generated letter at adverse action notice deadline of the 6<sup>th</sup> month of the POC. This letter informs the client that his eligibility will end on the last day of the month and that he must reapply for Medicaid coverage.
- 12) Section 10.4C#2 reads in part that the following steps are used to determine countable income for Food Stamps.

Step 1: Combine monthly gross non-excluded earnings and monthly gross profit from self-employment.

Step 2: Deduct 20% of Step 1.

Step 3: Add the gross non-excluded unearned income, including the AFDC/U check and any amount being repaid to the AFDC/U or SSI programs, due to intentional misrepresentation.

Step 4: Subtract the Standard Deduction found in Appendix B.

Step 5: Subtract the Dependent Care Deduction up to the maximums found in Appendix B.

Step 6: Subtract the amount of legally obligated child support actually paid.

Step 7: Subtract the Homeless Shelter Standard Deduction.

Step 8: Subtract allowable medical expenses in excess of \$35.

Step 9: Calculate 50% of the remaining income and compare it to the actual monthly shelter/utility cost of shelter/SUA amount.

Step 10:

	No One Elderly  Or Disabled	At Least One  Person Elderly  or Disabled
Shelter/ Utility  Equal To Or Less Than Step 9	No further computatio n is needed. The amount from Step 8 is the countable income.	No further computatio n is needed. The amount from Step 8 is the countable income.

Shelter/ Utility Greater Than Step 9.	The amount is excess of 50%, not to exceed the shelter/  utility cap, is deducted to arrive at countable income.	The amount in excess of 50% is deducted, without regard to the shelter/  utility cap, to arrive at countable income.
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Step 11: Compare the countable income to the maximum net income in Appendix  
A for the benefit group size.

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

- 1) The food stamp net allowable income for an AG of two (2) is \$1100. The net income in this case is \$1391.78.
- 2) Policy dictates that spenddown cases are not redetermined and are closed at the end of the 6<sup>th</sup> month of the POC. Also, the computer generated letter mailed to the client notifies him of case closure and his right to reapply for Medicaid.
- 3) The determination made by the Department is correct. The household's income is excessive for food stamp benefits. The Claimants will also have to meet the spenddown criteria in order to qualify for a medical card under the SSI-Related Medicaid Program.

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

It is the finding of the State Hearing Officer that the Department is upheld in the proposal to terminate the Claimant's food stamps because the household income is excessive. The Department is also upheld in the decision to terminate the Claimants' medical card under the SSI-Related Medicaid Program as the POC has ended and the Claimants do not have enough bills to meet another spenddown. The action described in the notification letters dated August 14, 2007 and August 17, 2007 will be taken.

#### **X. RIGHT OF APPEAL:**

See Attachment

**XI. ATTACHMENTS:**

The Claimant's Recourse to Hearing Decision

Form IG-BR-29

**ENTERED this 16th Day of October, 2007.**

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**Margaret M. Mann**  
**State Hearing Officer**