

# STATE OF WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES OFFICE OF INSPECTOR GENERAL

Bill J. Crouch Cabinet Secretary Board of Review PO Box 1247 433 Mid Atlantic Parkway Martinsburg, West Virginia 25402 M. Katherine Lawson Inspector General

August 21, 2018



RE: v. WV DHHR, ACTION NO.: 18-BOR-1970

Dear :

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,

Lori Woodward, State Hearing Officer Member, State Board of Review

Encl: Appellant's Recourse to Hearing Decision

Form IG-BR-29

cc: Amanda Simmons, BCF, Co. DHHR

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

Appellant,

v. Action No.: 18-BOR-1970

WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES,

Respondent.

#### DECISION OF STATE HEARING OFFICER

#### **INTRODUCTION**

The matter before the Hearing Officer arises from the Respondent's June 27, 2018 notice of Supplemental Nutrition Assistance Program (SNAP) benefit reduction.

At the hearing, the Respondent appeared by Amanda Simmons, Economic Services Supervisor. Appearing as witnesses for the Respondent were Rodney Wright, Program Manager, and James Phillips, Community Services Manager. The Appellant appeared *pro se*. As witness for the Appellant was his wife, The witnesses were sworn, and the following documents were admitted into evidence:

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

None

## **Appellant'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.

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#### FINDINGS OF FACT

- 1) The Social Security Administration (SSA) allotted beneficiaries a cost-of-living increase early in 2018, resulting in a mass change for SNAP recipients.
- 2) The Respondent received notification of the mass change through its data exchange system in March 2018.
- 3) Information received through the states' data exchange system is verified upon receipt for SNAP and must be acted upon.
- 4) The Respondent did not act on the information regarding the mass change until June 27, 2018, which resulted in a reduction of the Appellant's monthly SNAP allotment.
- 5) The Appellant's Assistance Group (AG) received unearned income in an amount totaling \$1, 315 per month from Social Security benefits.
- 6) The Appellant did not contest the income amount used in the calculation of his monthly SNAP allotment.
- 7) The Appellant and his wife have a shelter cost of \$550 and are eligible for the Heating/Cooling Standard allowance of \$462.
- 8) The Respondent correctly calculated the Appellant's monthly SNAP allotment of \$136.

#### APPLICABLE POLICY

Federal Code of Regulations, 7 CFR §273.12(e), explains, that certain changes are initiated by the State or Federal government which may affect the entire caseload or significant portions of the caseload. These changes include, but are not limited to, adjustments to the income eligibility standards, the shelter and dependent care deductions, the maximum SNAP allotment and the standard deduction; annual and seasonal adjustments to State utility standards; periodic cost-of-living adjustments to Retirement, Survivors, and Disability Insurance (RSDI), Supplemental Security Income (SSI) and other Federal benefits; periodic adjustments to Temporary Assistance for Needy Families (TANF) or General Assistance (GA) payments; and other changes in the eligibility and benefit criteria based on legislative or regulatory changes.

State data exchange matches from the Social Security Administration are verified upon receipt for SNAP and do not require an independent verification. (West Virginia Income Maintenance Manual (IMM) §6.3.4)

IMM §4.4.2.B.7, *Shelter/Utility Deduction*, explains that 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 SUA. If the shelter costs/SUA exceed 50% of the remaining income, the amount in excess of 50% is deducted. The deduction cannot exceed the shelter/utility

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cap found in Appendix B. EXCEPTION: The cap on the shelter/utility deduction does not apply when the SNAP AG includes an individual who is elderly or disabled, as defined in Section 13.15.

IMM §4.4.3 (SNAP) states when no AG member is elderly or disabled, the gross income must be equal to, or less than, the gross income limit in Appendix A. If so, the AG qualifies for the disregards and deductions. If the gross income exceeds the amount in Appendix A, the AG is ineligible. When at least one AG member is elderly, which is at least age 60, or disabled, eligibility is determined by comparing the countable income to the maximum net monthly income found in Appendix A. There is no gross income test. To determine the SNAP allotment, find the countable income and the number in the AG in Appendix C, Basis of Issuance.

The following steps are used to determine countable income for cases meeting the eligibility tests above.

- Step 1: Combine monthly gross countable earnings and monthly gross profit from self-employment.
- Step 2: Deduct 20% of Step 1.
- Step 3: Add the gross countable unearned income
- Step 4: Subtract the Standard Deduction (\$160)
- Step 5: Subtract allowable Dependent Care Expenses
- Step 6: Subtract the amount of legally obligated child support actually paid.
- Step 7: Subtract the Homeless Shelter Standard Deduction found in Appendix B.
- 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/SUA amount. The Heating/Cooling SUA is \$462.
- Step 10: If the shelter/SUA costs are equal to or less than the amount found in step 9, no further computation is needed, the amount from step 8 is the countable income. If the shelter/SUA costs are greater than step 9, the amount in excess of 50% is deducted to arrive at the countable income. Elderly/disabled households are not subject to the shelter/utility cap. O
- Step 11: Compare the countable income to the maximum net income in Appendix A for the AG size.

To determine the SNAP allotment, find the countable income and the number in the AG in Appendix C, Basis of Issuance.

#### **DISCUSSION**

The Supplemental Nutrition Assistance Program is governed by the U.S. Department of Agriculture Food Nutrition Services (USDA FNS). The USDA FNS determines the guidelines for States to use for budgeting purposes, including, but not limited to, allowable deduction amounts and maximum SNAP issuance amounts. Monthly SNAP allotments are determined by an individual's countable income, after all allowable deductions have been applied.

The Appellant and his wife began receiving a cost-of-living increase of their Social Security benefits on or about March 2018. Although the Respondent received an alert through the states'

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data exchange system regarding this increase, it did not add these changes to the Appellant's case until June 2018. The addition of this income caused a reduction in the Appellant's monthly SNAP allotment.

The Appellant did not dispute the amount of income on record. Instead, he contended that his monthly expenses have increased due to changes in his wife's medical benefits which no longer pays for transportation costs for her healthcare visits. The Appellant testified that with his monthly expenses, the amount of his monthly SNAP benefit is inadequate.

Although there were no exhibits proffered or entered into the record regarding the deductions used in the calculation of the Appellant's monthly SNAP benefits, it was established through testimony that the Appellant has a monthly rent expense of \$550 and is eligible for a Heating and Cooling Standard (HCS) deduction (\$462). There were no other allowable deductions established at the hearing.

The steps to determine his monthly SNAP allotment found in policy are as follows: \$1,315 total Social Security income minus \$160 standard deduction = \$1,155. The total shelter and SUA amount of \$1,012 (\$550 rent plus \$462 Heating/Cooling Standard) is compared to 50% of the remaining income (\$1,155 divided by 2 equals \$577.50). Because the total shelter/SUA costs for the Appellant exceed 50% of his remaining income, he is entitled to the shelter/SUA deduction that is in excess of this amount \$434.50 (\$1,012 minus \$577.50). The Appellant's total countable income for SNAP is \$720.50 which is compared to the coupon allotment chart found in policy for an AG of 2. The Appellant is entitled to receive \$136 in SNAP benefits monthly.

#### **CONCLUSIONS OF LAW**

- 1) The Respondent is alerted to mass changes to Social Security benefits which are considered verified upon receipt for SNAP and must be acted upon.
- 2) Monthly SNAP allotments are determined by the countable income of the AG, after all allowable deductions have been applied.
- 3) The Respondent's AG has a total gross income of \$1,315.
- 4) The Appellant's monthly countable income, after applying the income deductions found in policy, is \$720.50.
- 5) The Appellant's countable monthly income is compared to the issuance chart for the size of his assistance group of two (2).
- 6) The Appellant is eligible for \$136 in SNAP benefits each month.
- 7) The Respondent correctly calculated the Appellant's monthly SNAP allotment.

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# **DECISION**

It is the decision of the State Hearing Officer to **uphold** the decision of the Respondent to reduce the Appellant's monthly Supplemental Nutrition Assistance Program allotment.

ENTERED this 21st day of August 2018.	
	Lori Woodward, State Hearing Officer

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