STATE OF CONNECTICUT DEPARTMENT OF SOCIAL SERVICES OFFICE OF LEGAL COUNSEL, REGULATIONS, AND ADMINISTRATIVE HEARINGS 55 FARMINGTON AVE. HARTFORD, CT 06105-3725

, 2019 Signature Confirmation

Client ID # Request # 148128

NOTICE OF DECISION

PARTY



PROCEDURAL BACKGROUND

On 2019, the Department of Social Services (the "Department") issued a notice of action to (the "Appellant") informing him he is eligible for benefits under the Supplemental Nutritional Assistance Program ("SNAP") in the amount of \$50.00 per month beginning 2019.
On, 2019, the Appellant requested an administrative hearing to contest the amount of his benefits under the SNAP.
On, 2019, the Office of Legal Counsel, Regulations, and Administrative Hearings ("OLCRAH") issued a notice scheduling the administrative hearing for 2019.
On 2019, in accordance with sections 17b-60, 17b-61 and 4-176e to 4-189 inclusive, of the Connecticut General Statutes, OLCRAH held an administrative hearing.

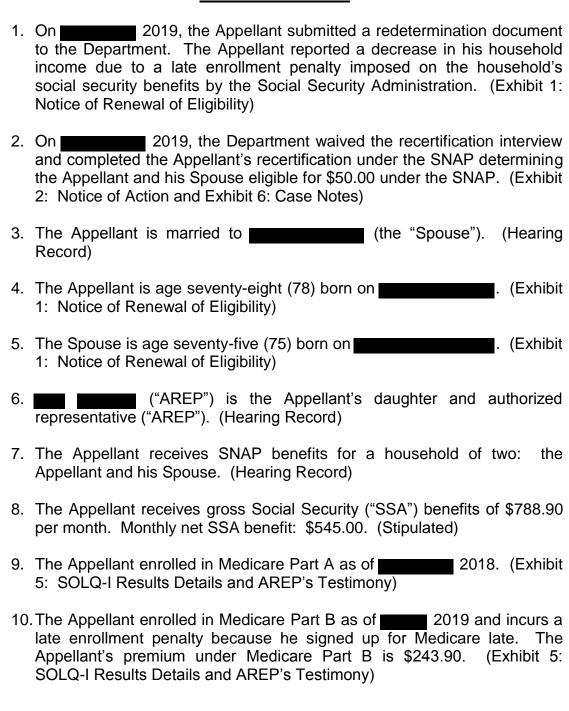
The following individuals were present at the hearing:

, Appellant
, Appellant's Spouse
, Appellant's Daughter and Authorized Representative
Taneisha Hayes, Department Representative
Lisa Nyren, Fair Hearing Officer

STATEMENT OF THE ISSUE

The issue to be decided is whether the Department's calculation of the Appellant's benefit of \$50.00 per month under the SNAP is correct.

FINDINGS OF FACT



- 11. The Spouse receives gross SSA benefits of \$394.10 per month. Monthly net SSA benefit: \$245.00. (Stipulated)
- 12. The Spouse enrolled in Medicare Part A as of SOLQ-I Results Details and AREP's Testimony)
- 13. The Spouse enrolled in Medicare Part B as of 2019 and incurs a late enrollment penalty because she signed up for Medicare late. The Spouse's premium under Medicare Part B is \$149.10. (Exhibit 5: SOLQ-I Results Details and AREP's Testimony)
- 14. Both the Appellant and Spouse receive medical benefits under the Medicare Savings Program ("MSP") Qualified Medicare Beneficiaries ("QMB") program. Under the MSP, the Department pays recipients' Medicare Part B premium on their behalf directly to the Social Security Administration ("SSA"). (Exhibit 2: Notice of Action and Department Representative's Testimony)
- 15. The Appellant received a standard deduction of \$167.00 per month. (Exhibit 3: Federal SNAP-Income Test and Exhibit 4: SNAP Computation Sheet)
- 16. The Appellant and his spouse live in a separate apartment in the AREP's home. The AREP does not charge the Appellant or his Spouse rent. The Appellant and his Spouse do not pay for utilities. (AREP's Testimony and Exhibit 1: Notice of Renewal of Eligibility)
- 17. At the administrative hearing, the Appellant reported he pays \$86.00 per month for dental insurance with the dental carrier, for himself and the spouse. (Appellant's Testimony)
- 18. The issuance of this decision is timely under Connecticut General Statutes § 17b-61(a), which requires that a decision be issued within 90 days of the request for an administrative hearing. The Appellant requested an administrative hearing on ________, 2019. Therefore, this decision is due not later than _________, 2019.

CONCLUSIONS OF LAW

1. Section 17b-2(7) of the Connecticut General Statute provides that the Department of Social Services is designated as the state agency for the administration of the supplemental nutrition assistance program pursuant to the Food and Nutrition Act of 2008.

2. Title 7 Section 273.1(B)(1)(i) of the Code of Federal Regulations ("C.F.R.") provides as follows:

The following individuals who live with others must be considered as customarily purchasing food and preparing meals with the others, even if they do not do so, and thus must be included in the same household, unless otherwise specified. Spouses.

- 3. "The department's uniform policy manual is the equivalent of a state regulation and, as such, carries the force of law." *Bucchere v. Rowe, 43* Conn. Supp. 175, 178 (1994) (citing Conn. Gen. Stat, § 17b-10; *Richard v. Commissioner of Income Maintenance,* 214 Conn. 601, 573 A.2d 712(1990))
- 4. Section 2020(A)(2) of the Uniform Policy Manual ("UPM") provides as follows:

Those who are related as follows must be included in the assistance unit, except when the child or adult is a foster child or foster adult: a spouse of a member of the assistance unit including any who presents himself or herself as a spouse.

- 5. The Department correctly determined a household of two, the Appellant and his Spouse.
- 6. Federal regulation provides as follows:

Participation in the Program shall be limited to those households whose incomes are determined to be a substantial limiting factor in permitting them to obtain a more nutritious diet. Households which contain an elderly or disabled member shall meet the net income eligibility standards for SNAP. Households which do not contain an elderly or disabled member shall meet both the net income eligibility standards and the gross income eligibility standards for SNAP. Households which are categorically eligible as defined in §273.2(j)(2) or 273.2(j)(4) do not have to meet either the gross or net income eligibility standards. The net and gross income eligibility standards shall be based on the Federal income poverty levels established as provided in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

7 C.F.R. § 273.9

7. Federal regulation provides as follows:

The State agency, at its option, may extend categorical eligibility to the following households only if doing so will further the purposes of the Food

and Nutrition Act of 2008: Any household (except those listed in paragraph (j)(2)(vii) of this section) in which all members receive or are authorized to receive non-cash or in-kind services from a program that is less than 50 percent funded with State money counted for MOE purposes under Title IV-A or Federal money under Title IV-A and that is designed to further purposes one and two of the TANF block grant, as set forth in Section 401 of P.L. 104-193. States must inform FNS of the TANF services under this paragraph that they are determining to confer categorical eligibility.

7 C.F.R. § 273.2(j)(2)(ii)(A)

"At least one member of the assistance unit receives or is authorized to receive TANF-funded services under the Help for People in Need Program." UPM § 2545.05(A)(2)

"Those assistance unit's which qualify as categorically eligible are not subjected to gross or applied income eligibility tests." UPM § 5520.40(C)

- 8. The SNAP household is categorically eligible under the extended categorical eligibility program and not subject to the gross or net income test under the SNAP.
- 9. "Household income shall mean all income from whatever source excluding only items specified in paragraph (c) of this section." 7 C.F.R. § 273.9(b)

Departmental policy provides as follows:

In consideration of income, the Department counts the assistance unit's available income, except to the extent that it is specifically excluded. Income is considered available if it is:

- 1. Received directly by the assistance unit; or
- 2. Received by someone else on behalf of the assistance unit and the unit fails to prove that it is inaccessible; or
- 3. Deemed by the Department to benfit the assistance unit.

UPM § 5005(A)

10. Federal regulation provides the following:

Unearned income shall include, but not be limited to: Annuities; pensions; retirement, veteran's, or disability benefits; worker's or unemployment compensation including any amounts deducted to repay claims for intentional program violations as provided in §272.12; old-age, survivors, or social security benefits; strike benefits; foster care payments for children or adults who are considered members of the household; gross

income minus the cost of doing business derived from rental property in which a household member is not actively engaged in the management of the property at least 20 hours a week.

7 C.F.R. § 273.9(b)(2)(ii)

"Income from these sources is treated as unearned income in all programs." UPM § 5050.13(A)(1)

"Income received from these sources any any member of a Food Stamps unit is counted in the calculation of eligibility and benfits for the entire unit." UPM § 5050.13(A)(6)

- 11. The Department correctly included the Appellant's SSA in the calculation of benefits.
- 12. The Department correctly included the Spouse's SSA in the calculation of benefits.
- 13. Federal regulation provides as follows:

For the purpose of determining the household's eligibility and level of benefits, the State agency shall take into account the income already received by the household during the certification period and any anticipated income the household and the State agency are reasonably certain will be received during the remainder of the certification period. If the amount of income that will be received, or when it will be received, is uncertain, that portion of the household's income that is uncertain shall not be counted by the State agency. For example, a household anticipating income from a new source, such as a new job or recently applied for public assistance benefits, may be uncertain as to the timing and amount of the initial payment. These moneys shall not be anticipated by the State agency unless there is reasonable certainty concerning the month in which the payment will be received and in what amount. If the exact amount of the income is not known, that portion of it which can be anticipated with reasonable certainty shall be considered as income. In cases where the receipt of income is reasonably certain but the monthly amount may fluctuate, the household may elect to income average. Households shall be advised to report all changes in gross monthly income as required by §273.12.

7 C.F.R. § 273.10(c)(1)(i)

14. Federal regulation provides as follows:

Income anticipated during the certification period shall be counted as income only in the month it is expected to be received, unless the income is averaged. Whenever a full month's income is anticipated but is received on a weekly or biweekly basis, the state agency shall convert the income to a monthly amount by multiplying weekly amounts by 4.3 and biweekly amounts by 2.15, use the State Agency's PA conversion standard, or use the exact monthly figure if it can be anticipated for each month of the certification period. Nonrecurring lump-sum payments shall be counted as a resource starting in the month received and shall not be counted as income.

7 C.F.R. § 273.10(c)(2)(i)

"If income is received on a monthly basis, a representative monthly amount is used as the estimate of income." UPM § 5025.05(B)(1)

- 15. The Department correctly determined the Appellant's monthly SSA benefit as \$789.00 per month.
- 16. The Department correctly determined the Spouse's monthly SSA benefit as \$394.00 per month.
- 17. "Deductible expenses include only certain dependent care, shelter, medical and, at State agency option, child support costs as described in § 273.9." 7 C.F.R. § 273.10(d)

Deductions shall be allowed only for the following household expenses:

Notwithstanding paragraphs (d)(1)(i) and (d)(1)(ii) of this section, the standard deduction for FY 2009 for each household in the 48 States and the District of Columbia, Alaska, Hawaii, Guam and the U.S. Virgin Islands shall not be less than \$144, \$246, \$203, \$289, and \$127, respectively. Beginning FY 2010 and each fiscal year thereafter, the amount of the minimum standard deduction is equal to the unrounded amount from the previous fiscal year adjusted to the nearest lower dollar increment to reflect changes for the 12-month period ending on the preceding June 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor, for items other than food.

7 C.F.R. § 273.9(d)(1)(iii)

"The FS income disregard is subtracted from the combined monthly total of the unit's gross unearned income and net earned income. The amount of the disregard is established by the USDA and is revised annually effective The appropriate disregard is subtracted without any durational limitation." UPM § 5030.25(A)

Effective 2019 through 2020 the standard deduction for the 48 States & District of Columbia for a household of 2 is \$167.00. (United States Department of Agriculture, Food and Nutrition Service, Fiscal Year (FY) 2019 Maximum Allotments and Deductions, www.fns.usda.gov/snap, Memorandum SNAP – Fiscal Year 2019 Cost-of-Living Adjustments, 2019)

Federal regulation provides for the excess medical deduction. That portion of medical expenses in excess of \$35 per month, excluding special diets, incurred by any household member who is elderly or disabled as defined in §271.2. Spouses or other persons receiving benefits as a dependent of the SSI or disability and blindness recipient are not eligible to receive this deduction but persons receiving emergency SSI benefits based on presumptive eligibility are eligible for this deduction. Allowable medical costs are:

- Medical and dental care including psychotherapy and rehabilitation services provided by a licenses practitioner authorized by State law or other qualified health professional.
- ii. Hospitalization or outpatient treatment, nursing care, and nursing home care including payments by the household for an individual who was a household member immediately prior to entering a hospital or nursing home provided by a facility recognized by the State.
- iii. Prescription drugs, when prescribed by a licensed practitioner authorized under State law, and other over-the-counter medication (including insulin), when approved by a licensed practitioner or other qualified health professional.
 - A. Costs of medical supplies, sick-room equipment (including rental) or other prescribed equipment are deductible;
 - B. The cost of any Schedule I controlled substance under The Controlled Substances Act, 21 U.S.C. 801 *et seq.*, and any expenses associated with its use, are not deductible.
- iv. Health and hospitalization insurance policy premiums. The costs of health and accident policies such as those payable in lump sum settlements for death or dismemberment or income maintenance policies such as those that continue mortgage or loan payments while the beneficiary is disabled are not deductible;
- v. Medicare premiums related to coverage under Title XVIII of the Social Security Act; any cost-sharing or spend down expenses incurred by Medicaid recipients;
- vi. Dentures, hearing aids, and prosthetics

- vii. Securing and maintaining a seeing eye or hearing dog including the cost of dog food and veterinarian bills;
- viii. Eye glasses prescribed by a physician skilled in eye disease or by an optometrist;
- ix. Reasonable cost of transportation and lodging to obtain medical treatment or services;
- x. Maintaining an attendant, homemaker, home health aide, or child care services, housekeeper, necessary due to age, infirmity, or illness. In addition, an amount equal to the one person benefit allotment shall be deducted if the household furnishes the majority of the attendant's meals. The allotment for this meal related deduction shall be that in effect at the time of initial certification. The State agency is only required to update the allotment amount at the next scheduled recertification; however, at their option, the State agency may do so earlier. If a household incurs attendant care costs that could qualify under both the medical deduction of §273.9(d)(3)(x) and the dependent care deduction of §273.9(d)(4), the costs may be deducted as a medical expense or a dependent care expense, but not both.

7 C.F.R. § 273.9(d)(3)

Federal regulation provides as follows:

Information provided by the household shall be verified in accordance with §273.2(f)(8)(i). The State agency shall provide the household a notice of required verification as provided in §273.2(c)(5) and notify the household of the date by which the verification requirements must be satisfied. The household must be allowed a minimum of 10 days to provide required verification information. Any household whose eligibility is not determined by the end of its current certification period due to the time period allowed for submitting any missing verification shall receive an opportunity to participate, if eligible, within 5 working days after the household submits the missing verification and benefits cannot be prorated.

7 C.F.R. 273.14(b)(4)

Federal regulation provides as follows:

At recertification the State agency shall verify a change in income if the source has changed or the amount has changed by more than \$50. Previously unreported medical expenses, actual utility expenses and total recurring medical expenses which have changed by more than \$25 shall also be verified at recertification. The State agency shall not verify income if the source has not changed and if the amount is unchanged or has changed by \$50 or less, unless the information is incomplete, inaccurate,

inconsistent or outdated. The State agency shall also not verify total medical expenses, or actual utility expenses claimed by households which are unchanged or have changed by \$25 or less, unless the information is incomplete, inaccurate, inconsistent or outdated. For households eligible for the child support deduction or exclusion, the State agency may use information provided by the State CSE agency in determining the household's legal obligation to pay child support, the amount of its obligation and amounts the household has actually paid if the household pays its child support exclusively through its State CSE agency and has signed a statement authorizing release of its child support payment records to the State agency. A household would not have to provide any additional verification unless they disagreed with the information provided by the State CSE agency. State agencies that choose to use information provided by their State CSE agency in accordance with this paragraph (f)(8)(i)(A) must specify in their State plan of operation that they have selected this option. For all other households eligible for the child support deduction or exclusion, the State agency shall require the household to verify any changes in the legal obligation to pay child support, the obligated amount, and the amount of legally obligated child support a household member pays to a nonhousehold member. The State agency shall verify reportedly unchanged child support information only if the information is incomplete, inaccurate, inconsistent or outdated.

Title 7 of the C.F.R. § 273.2(f)(8)(i)

"Members of the assistance unit who are elderly or disabled are allowed medical expenses as deductions." UPM § 5035.15(E)(1)

Departmental policy provides for medical deductions for food stamps as follows:

- 1. The Department will estimate at certification a recipient's recurring medical expenses for the certification period based upon:
 - (1) The recipient's current verified medical expenses, and
 - (2) Any available information about the recipient's medical condition, and
 - (3) Any available information about public or private medical insurance coverage.
- 2. Further verification is not necessary.

UPM § 5099.10(1)

18. The Department correctly excluded the cost of dental insurance as a medical expense deduction under the SNAP because the Appellant failed to report the monthly dental premium prior to the date of the administrative

hearing. The Department may include this expense under the SNAP calculation for ongoing benefits.

19. Based on the hearing record, it is unclear whether or not the Department pays the Appellant's and Spouse's Medicare Part B premium on their behalf. Although the Notice of Action (Exhibit 2) indicates the Appellant and the Spouse receive medical benefits under the MSP since at least 2019, the SOLQ-I (Exhibit 5) record which allows states to verify information with the SSA, does not list a buy-in date for the Appellant or Spouse under the Medicare Part B section but rather shows the Appellant and Spouse's benefits reduced by the Medicare Part B premiums collected by the Social Security Administration. Based on the hearing record, whether or not the Appellant and Spouse are entitled to a medical deduction under the SNAP for Medicare Part B premiums cannot be determined.

20. Federal regulation provides the following:

To determine a household's net monthly income, the State agency shall:

- A. Add the gross monthly income earned by all household members and the total monthly unearned income of all household members, minus income exclusions, to determine the household's total gross income. Net losses from the self-employment income of a farmer shall be offset in accordance with §273.11(a)(2)(iii).
- B. Multiply the total gross monthly earned income by 20 percent and subtract that amount from the total gross income; or multiply the total gross monthly earned income by 80 percent and add that to the total monthly unearned income, minus income exclusions. If the State agency has chosen to treat legally obligated child support payments as an income exclusion in accordance with §273.9(c)(17), multiply the excluded earnings used to pay child support by 20 percent and subtract that amount from the total gross monthly income.
- C. Subtract the standard deduction.
- D. If the household is entitled to an excess medical deduction as provided in §273.9(d)(3), determine if total medical expenses exceed \$35. If so, subtract that portion which exceeds \$35.
- E. Subtract allowable monthly dependent care expenses, if any, as specified under § 273.9(d)(4) for each dependent.
- F. If the State agency has chosen to treat legally obligated child support payments as a deduction rather than an exclusion in accordance with §273.9(d)(5), subtract allowable monthly child support payments in accordance with §273.9(d)(5).
- G. Subtract the homeless shelter deduction, if any, up to the maximum of \$143.

- H. Total the allowable shelter expenses to determine shelter costs, unless a deduction has been subtracted in accordance with paragraph (e)(1)(i)(G) of this section. Subtract from total shelter costs 50 percent of the household's monthly income after all the above deductions have been subtracted. The remaining amount, if any, is the excess shelter cost. If there is no excess shelter cost, the net monthly income has been determined. If there is excess shelter cost, compute the shelter deduction according to paragraph (e)(1)(i)(I) of this section.
- I. Subtract the excess shelter cost up to the maximum amount allowed for the area (unless the household is entitled to the full amount of its excess shelter expenses) from the household's monthly income after all other applicable deductions. Households not subject to a capped shelter expense shall have the full amount exceeding 50 percent of their net income subtracted. The household's net monthly income has been determined.

7 C.F.R. § 273.10(e)(1)(i)

UPM § 5045.15 provides for the calculation of applied income under the SNAP.

21. "In calculating net monthly income, the State agency shall use one of the following two procedures: Round down each income and allotment calculation that ends in 1 through 49 cents and round up each calculation that ends in 50 through 99 cents." 7 C.F.R. § 273.10(e)(1)(ii)(A)

Effective 2019 through 2020 the maximum SNAP allotment for the 48 States & District of Columbia for a household two is \$355.00. (United States Department of Agriculture, Food and Nutrition Services, Fiscal Year (FY) 2020 Maximum Allotments and Deductions, www.fns.usda.gov/snap, Memorandum SNAP – Fiscal Year 2020 Cost-of-Living Adjustments, 2019)

"The Thrifty Food Plan standards vary according to the size of the assistance units and are uniform statewide for assistance unit of equal size." UPM § 4535.10(A)(2)

"The standard of assistance for a qualified assistance unit with no applied income is the Thrifty Food Plan amount for the appropriate assistance unit size as established by the USDA. The Thrifty Food Plan amounts are revised annually effective October 1." UPM § 4535.10(B)

22. Federal regulation provides as follows:

Except as provided in paragraphs (a)(1), (e)(2)(iii) and (e)(2)(vi) of this section, the household's monthly allotment shall be equal to the maximum

SNAP allotment for the household's size reduced by 30 percent of the household's net monthly income as calculated in paragraph (e)(1) of this section. If 30 percent of the household's net income ends in cents, the State agency shall round in one of the following ways: the state agency shall round the 30 percent of net income up to the nearest higher dollar.

7 C.F.R. § 273.10(e)(2)(ii)(A)(1)

Departmental policy provides as follows:

In the FS program, the amount of benefits is calculated by:

- 1. Multiplying the assistance unit's applied income by 30%; and
- 2. Rounding the product up to the next whole dollar if it ends in 1-99 cents; and
- Subtracting the rounded product from the FS standard of assistance for the appropriate unit size. (Cross Reference: 5000 – treatment of Income, 4500 – Standards of Assistance)

UPM § 6005(C)

23. Based on the hearing record, the correct calculation of benefits under the SNAP cannot be determined because the household's applied income cannot be calculated without a determination of the Appellant's eligibility for the excess medical deduction. Refer to Conclusion of Law #19.

DECISION

The Appellant's appeal is remanded back for further action by the Department.

ORDER

- 1. The Department must review the Medicare Part B premiums effective 2019 to determine eligibility for the excess medical deduction under the SNAP.
- 2. The Department must clarify whether the Appellant and his Spouse pay the monthly Medicare Part B premiums or the Department pays the Medicare Part B premiums under the MSP QMB program on their behalf.
- 3. Compliance is due 2019.

Lisa A. Nyren Fair Hearing Officer

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CC: Musa Mohamud, DSS RO #10 Judy Williams, DSS RO #10 Jessica Carroll, DSS RO #10 Jay Bartolomei, DSS RO #10 Taneisha Hayes, DSS RO #10

RIGHT TO REQUEST RECONSIDERATION

The appellant has the right to file a written reconsideration request within **15** days of the mailing date of the decision on the grounds there was an error of fact or law, new evidence has been discovered or other good cause exists. If the request for reconsideration is granted, the appellant will be notified within 25 days of the request date. No response within 25 days means that the request for reconsideration has been denied. The right to request a reconsideration is based on §4-181a (a) of the Connecticut General Statutes.

Reconsideration requests should include <u>specific</u> grounds for the request: for example, indicate what error of fact or law, <u>what</u> new evidence, or <u>what</u> other good cause exists.

Reconsideration requests should be sent to: Department of Social Services, Director, Office of Administrative Hearings and Appeals, 55 Farmington Avenue Hartford, CT 06105.

RIGHT TO APPEAL

The appellant has the right to appeal this decision to Superior Court within 45 days of the mailing of this decision, or 45 days after the agency denies a petition for reconsideration of this decision, provided that the petition for reconsideration was filed timely with the Department. The right to appeal is based on §4-183 of the Connecticut General Statutes. To appeal, a petition must be filed at Superior Court. A copy of the petition must be served upon the Office of the Attorney General, 55 Elm Street, Hartford, CT 06106 or the Commissioner of the Department of Social Services, 55 Farmington Avenue Hartford, CT 06105. A copy of the petition must also be served on all parties to the hearing.

The 45 day appeal period may be extended in certain instances if there is good cause. The extension request must be filed with the Commissioner of the Department of Social Services in writing no later than 90 days from the mailing of the decision. Good cause circumstances are evaluated by the Commissioner or the Commissioner's designee in accordance with §17b-61 of the Connecticut General Statutes. The Agency's decision to grant an extension is final and is not subject to review or appeal.

The appeal should be filed with the clerk of the Superior Court in the Judicial District of New Britain or the Judicial District in which the appellant resides.