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

2022 Signature Confirmation

| Client ID # | |
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| Request # | |

NOTICE OF DECISION

PARTY



PROCEDURAL BACKGROUND

| On 2021, the Department of Social Services (the "Department") issued a |
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| Notice of Action ("NOA") to (the "Appellant") discontinuing her benefits from the Supplemental Nutrition Assistance Program ("SNAP") effective |
| 2021, because the amount of her household's countable income was higher than the maximum benefit for her household size. |
| On 2022, the Appellant requested an administrative hearing to appeal the Department's discontinuance of her SNAP benefits. |
| On 2022, the Office of Legal Counsel, Regulations, and Administrative Hearings ("OLCRAH") issued a notice scheduling the administrative hearing for 2022. The hearing was scheduled to be held telephonically, at the Appellant's request, due to the COVID-19 pandemic. |
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| On 2022, in accordance with sections 17b-60, 17-61 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 |
| Hearing Liaison for the Department |
| James Hinckley, Hearing Officer |

STATEMENT OF THE ISSUE

1. Whether the Department was correct when it discontinued the Appellant's SNAP benefits because her countable income was more than the maximum benefit for her household size.

FINDINGS OF FACT

- 1. The Department previously found the Appellant eligible for SNAP benefits for a household that included herself, her 14-year-old son, her 13-year-old daughter, and her 8-year-old daughter. (Hearing Record)
- 2. The Appellant receives Social Security benefits based on disability. (Hearing Record)
- 3. In _____2021, the Appellant completed the SNAP recertification process. The Appellant reported her circumstances to the Department during her _____2021, SNAP interview and the Department verified her circumstances through federal data match and by obtaining verification from the Appellant. (Hearing Record)
- 4. As of 2021, the Appellant received Social Security Disability Income ("SSDI") in the gross amount of \$1,386.00 per month and worker's compensation benefits in the gross amount of \$184.24 per week. Her 14-year-old son and 13-year-old daughter each received Social Security benefits in the gross amount of \$346.00 per month. Her 8-year-old daughter had no income. The Appellant's rent was \$391.00 per month, and she was responsible for heating and cooling costs. The Appellant had no out-of-pocket medical expenses at the time. (Hearing Record, Ex. 5: Worker's Compensation pay stubs)
- 5. On 2021, the Department issued an NOA to the Appellant approving SNAP benefits for the household in the amount of \$29.00 per month. (Ex. 2: NOA)
- 6. In 2021, the Appellant began to incur out-of-pocket medical expenses not covered by her Medicaid insurance. The Appellant made visits to a back specialist that cost her more than \$100.00 out of pocket for each visit. (Appellant's testimony)
- 7. The Appellant did not report the new medical expenses to the Department. (Appellant's testimony)
- 8. The Social Security Administration ("SSA") awarded a general cost-of-living adjustment ("COLA") effective 2022 to all recipients of Social Security benefits. The Department verifies recipient changes in SSA benefit amounts through a federal computer interface. A 2021 computer match for the

Appellant verified that beginning 2022, her SSDI benefit would increase to \$1,468.00 per month, and her 14-year-old son's and 13-year-old daughter's Social Security benefits would each increase to \$367.00 per month. The Appellant's weekly Worker's Compensation benefit amount was unaffected by the COLA. (Hearing Record)

- 9. On 2021, the Department issued an NOA to the Appellant discontinuing her SNAP benefits effective 2021, because her household income was higher than the maximum benefit for her household size. (Ex. 3: NOA)
- 10. In 2022, the Appellant did not visit the back specialist, because she was recovering from COVID, and for other reasons. (Appellant's testimony)
- 11. The Appellant plans to resume her visits to the back specialist soon. She expects the need to visit the back specialist every two weeks for the foreseeable future, and that she will continue to incur out of pocket medical expenses. (Appellant's testimony)

CONCLUSIONS OF LAW

- Section 17b-2 of the Connecticut General Statutes authorizes the Commissioner of the Department of Social Services to administer the SNAP in accordance with federal law.
- 2. Title 7 of the Code of Federal Regulations ("CFR") Sec. 273.9(a) provides, in relevant part, as follows:
 - i. 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 the Food Stamp Program. 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 the Food Stamp Program. 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)).
- 3. The Appellant's household contained a disabled member; the Appellant received SSDI benefits based on disability. The household was, therefore, not required to meet the gross income eligibility standard.

- 4. "Unearned income shall include, but not be limited to: (ii) 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...." 7 CFR § 273.9(b)(2)
- The Appellant's SSDI benefit, her worker's compensation payments, and her childrens' Social Security benefits were all countable as unearned income for SNAP.
- 6. "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...." 7 CFR § 273.10(c)(1)(i)
- 7. "Income received during the past 30 days shall be used as an indicator of the income that is and will be available to the household during the certification period...." 7 CFR § 273.10(c)(1)(ii)
- 8. "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...." 7 CFR § 273.10(c)(2)
- 9. The Appellant's weekly worker's compensation payment of \$184.24 had to be converted to a monthly amount by multiplying by 4.3. The monthly amount was \$792.23.
- 10. The Appellant's household's 2022 total gross monthly income was \$2,994.23. It consisted of her SSDI of \$1,468.00, her worker's compensation of \$792.23, her son's SSA of \$367.00, and her daughter's SSA of \$367.00.
- 11. In the SNAP determination of eligibility, the total gross monthly income figure is first used to determine if the household is categorically eligible and thus excluded from the net income test pursuant to 273.9(a).
- 12. States may, at their option, extend categorical eligibility to households "in which all members receive or are authorized to receive non-cash or in-kind services" from a program that is funded in part with State money counted for MOE purposes under Title IV-A, if the program was designed to further either purposes one and two, or three and four, of the TANF block grant. FNS must be informed of, or must approve, the TANF services that a State determines to confer categorical eligibility. 7 CFR § 273.2(j)(2)(ii)

- 13. Households in Connecticut with incomes below 185% of the federal poverty level ("FPL") qualify for the State's "Help for People in Need" program which is funded with money counted for TANF MOE purposes and meets the requirements in 7 CFR § 273.2(j)(2)(ii). As such, the Department extends broad-based categorical eligibility for SNAP to all households that qualify for "Help for People in Need".
- 14. The standards used in the SNAP are adjusted each year on the first day of October. The Federal Poverty Standards applicable to the SNAP calculations in this decision are published in the Federal Register, Vol. 86, No. 19 / Friday, February 1, 2021, pp. 7732-7734.
- 15.185% of the FPL for a household of four persons was \$4,086.00 monthly. The Appellant's household's total income of \$2,994.23 was less than 185% of the FPL. Her household was, therefore, eligible for "Help for People in Need" and, therefore, categorically eligible for SNAP under the provisions of 7 CFR § 273.2(j)(2)(ii).
- 16. Pursuant to 7 CFR § 273.9(a), because the Appellant's household was categorically eligible it was not required to meet either the gross income standard in § 273.9(a)(1) or the net income eligibility standard in § 273.9(a)(2).
- 17. In the benefit determination, the Appellant's household's income and deductions are calculated pursuant to 7 CFR § 273.9. Net income and SNAP benefit levels are then calculated pursuant to 7 CFR § 273.10(e). The calculations are as follows:

Only certain income deductions are allowed to be used in the calculation of SNAP benefits. The household expenses which may be used as deductions are described in paragraphs (d)(1) to (d)(6) of 7 CFR § 273.9.

The standard deduction for a household size of one to six persons is equal to 8.31 percent of the monthly net income standard for each household size established under § 273.9(a)(2) rounded up to the nearest whole dollar. 7 CFR § 273.9(d)(1)

The Appellant's household qualified for the standard deduction for a household of four persons, which was \$184.00.

The excess medical deduction is equal to "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....." 7 CFR § 273.9(d)(3)

The Appellant's household did not qualify for the excess medical deduction because she did not have medical expenses at the time her SNAP benefits were recertified in 2021. Even though the Appellant began to incur medical expenses in 2021, she did not report the new expenses to the Department before the Department took the action that is the issue of this hearing.

The Appellant did not qualify for any of the other three remaining deductions provided for in paragraphs (d)(1) to (d)(5) of 7 CFR § 273.9, the earned income

deduction, dependent care deduction, or child support deduction. The figure equaling the total deductions allowable under (d)(1) to (d)(5) is applicable to the next calculation.

7 CFR § 273.9(d)(6)(ii) provides for the excess shelter deduction. Monthly shelter expenses in excess of 50 percent of the household's income after all other deductions in paragraphs (d)(1) to (d)(5) of 7 CFR § 273.9 have been allowed, are allowed as an excess shelter deduction.

The Appellant's household qualified for one of the deductions in paragraphs (d)(1) to (d)(5) of 7 CFR § 273.9, the standard deduction. After deducting the \$184.00 standard deduction from the Appellant's household's total gross income, the remaining income was \$2,810.23 (\$2,994.23 total income - \$184.00 standard deduction = \$2,810.23).

50% of \$2,810.23 is \$1,405.12, and is the figure referred to in 7 CFR § 273.9(d)(6)(ii) that is used in the calculation of the excess shelter deduction.

7 CFR § 273.9(d)(6) discusses shelter costs and provides that only certain expenses are allowable as shelter expenses, including rent, mortgage, property taxes, insurance on the structure, condo and association fees, and the actual costs of utilities.

7 CFR § 273.9(d)(6)(iii) provides for a *standard utility allowance* which may, at State option, be used in place of the actual cost of utilities in determining a household's excess shelter deduction and which may be made available both to households that incur actual utility expenses and to those that receive assistance under the LIHEAA (Low Income Home Energy Assistance Act).

The Department allows a standard utility allowance (SUA), currently \$783.00, in place of the actual cost of utilities for qualifying households. The Appellant was obligated for the costs of all utilities, thus her household qualified to have the SUA used in place of her actual costs in the calculation of the excess shelter deduction.

The Appellant's shelter expenses were \$1,174.00 (\$391.00 rent + \$783.00 SUA).

"If the household does not contain an elderly or disabled member, as defined in § 271.2 of this chapter, the shelter deduction cannot exceed the maximum shelter deduction limit established for the area...." 7 CFR § 273.9(d)(6)(ii)

7 CFR § 271.2 defines *elderly or disabled member* as a member of a household who "(1) Is 60 years of age or older; (2) Receives supplemental security income benefits under title XVI of the Social Security Act or disability or blindness payments under titles I,II, X, XIV, or XVI of the Social Security Act", or who is approved for certain other government payments for blindness or disability.

Because the Appellant's household contained a disabled member, her household's shelter deduction was uncapped.

The Appellant's excess shelter deduction was \$0.00 (\$1,174.00 shelter expenses - \$1,405.12 [50% of income remaining after subtracting deductions allowed under 7 CFR § 273.9(d)(1) to (d)(5)]).

The Appellant's *net income* after all deductions was \$2,810.23 (\$2,994.23 total gross income, minus \$184.00 *standard deduction*, minus \$0.00 *excess shelter deduction*).

"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...." 7 CFR § 273.10(e)(2)(ii)(A)

30% of the Appellant's household's net monthly income (\$2,994.23 multiplied by .3) was \$898.27; the figure was rounded up to \$899.00 pursuant to 273.10(e)(2)(ii)(A)(1).

The maximum food stamp allotment (known as the "thrifty food plan") for a household of four persons was \$835.00.

The Appellant's household was not eligible for a SNAP benefit because 30% of her net income was more than the maximum benefit for a household of four persons (\$899.00 (30% of net income) exceeded \$835.00 (maximum SNAP allotment for four)).

18. The Department was correct when it discontinued the Appellant's SNAP benefits effective 2021, because her countable income was more than the maximum benefit for her household size.

DISCUSSION

The Appellant's medical expenses that she reported at the hearing may have a bearing on her potential future eligibility for SNAP. The Appellant must file a new application for SNAP in order to determine whether the expenses affect her SNAP eligibility. The Department did not err in not budgeting the expenses because the Appellant never previously reported or verified the expenses to the Department.

DECISION

The Appellant's appeal is **DENIED**.

James Hinckley

James Hinckley

James Hinckley Hearing Officer

cc: Rachel Anderson Mathew Kalarickal Lisa Wells Ferris Clare

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, what new evidence, or what 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 06105-3725.

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, 165 Capitol Avenue, 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.