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

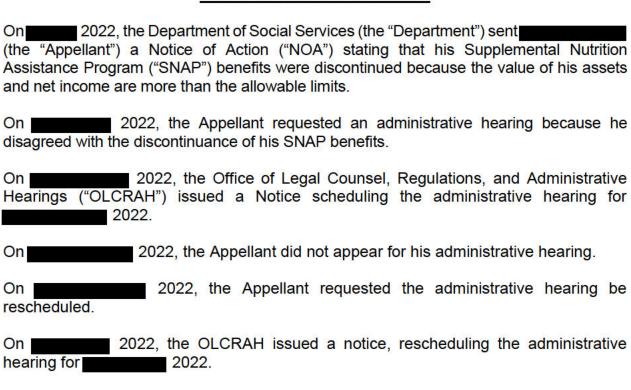
2022 Signature Confirmation

NOTICE OF DECISION

PARTY



PROCEDURAL BACKGROUND

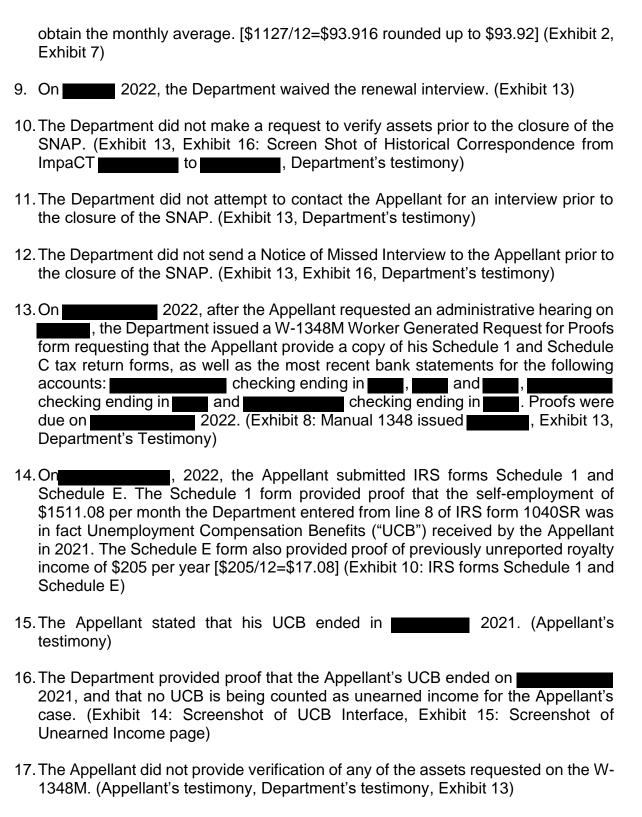


inclusive, of the Connecticut General Statutes, the OLCRAH held an administrative

2022, in accordance with sections 17b-60, 17b-61 and 4-176e to 4-184,

hearing. The hearing was held telephonically per the Appellant's request. The following individuals were present at the hearing:									
, the Appellant Marybeth Mark, Department's Representative Joseph Davey, Administrative Hearing Officer									
The hearing record remained open to allow the Department time to submit additional information. All additional exhibits were received by 2022, and the hearing record closed accordingly.									
STATEMENT OF THE ISSUE									
The issue to be decided is whether the Department correctly discontinued the Appellant's SNAP benefits.									
FINDINGS OF FACT									
1. On 2022, the Appellant submitted a W-1ER Renewal of Eligibility form to recertify his SNAP benefits for a household of one person. (Exhibit 1: W-1ER, Notice of Renewal of Eligibility date stamped 2022)									
2. The Appellant was years old at the time of recertification [DOB (Exhibit 1, Appellant's testimony)									
3. The Appellant lives alone. (Exhibit 1, Appellant's testimony)									
4. The Appellant provided IRS forms 1040SR and 1099R on form 1040SR, Exhibit 3: IRS form 1099R)									
5. The Department entered as self-employment a monthly average of income listed on line 8 of form 1040SR. The amount on line 8 was divided by 12 to obtain a monthly average. [\$18,133/12=\$1511.08.] (Exhibit 2, Exhibit 7: Screenshot of Federal SNAP income test, Exhibit 13: Case notes									
6. The Department entered Appellant's pension amount as \$785.57 from a pension statement. (Exhibit 7, Exhibit 13)									

- 7. The Department verified the Appellant's Social Security retirement benefit amount of \$1006.00 per month via Departmental interface. (Exhibit 7, Exhibit 13)
- 8. The Department verified the Appellant's monthly IRA distribution using the amount listed on IRS form 1040SR line 4b. The amount on line 4b was divided by 12 to



18. The Department testified that the Appellant's SNAP case had been reopened in order to request the information on the W-1348M as well as complete a renewal interview. (Department's Testimony)

- 19. The Department was unable to provide proof that the Appellant's SNAP case was reopened. The most recent NOA provided was the original from _______, 2022. Case notes dated after the closure of the SNAP do not reference any reopening of the case. (Exhibit 13, Exhibit 16)
- 20. The Department was unable to provide proof that an interview was scheduled or that a Notice of Missed Interview ("NOMI") was sent after the closure of the SNAP. Case notes do not reference an interview being scheduled or a NOMI being issued either prior to or after the closure of the SNAP. (Exhibit 13, Exhibit 16)

The issuance of this decision is timely under the Code of Federal Regulations ("C.F.R.")
273.15 (c)(1) which provides in part that "[w]ithin days of receipt of a request for a fair
hearing, the State agency shall assure that the hearing is conducted, a decision is reached,
and the household and local agency are notified of the decision" The Appellant requested
an administrative hearing on 2022. Therefore, this decision is due not later
than 2022. However, the hearing, which was originally scheduled for
2022, was rescheduled for 2022, at the request of the
Appellant, which caused a delay. Because this delay resulted from the
Appellant's request, this decision is not due until 2022, and is therefore
timely. (Hearing Record)

CONCLUSIONS OF LAW

1. Section 17b-2(7) of the Connecticut General Statutes provides the following: "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."

The Department has the authority to administer the SNAP program in Connecticut.

- 2. 7 C.F.R. § 273.14(a) provides that no household may participate beyond the expiration of the certification period assigned in accordance with 273.10(f) without a determination of eligibility for a new period. The State agency must establish procedures for notifying households of expiration dates, providing application forms, scheduling interviews, and recertifying eligible households prior to the expiration of certification periods. Households must apply for recertification and comply with interview and verification requirements.
 - 7 C.F.R. § 273.14 (b)(iii) provides that to expedite the recertification process, State agencies are encouraged to send a recertification form, an interview appointment letter that allows for either in-person or telephone interviews, and a statement of needed verification required by 273.2(c)(5) with the Notice of expiration.

The Appellant submitted his SNAP renewal timely on 2022, before the end of his certification period.

3. 7 C.F.R. § 273.1(a) provides the following: *General household definition*. A household is composed of one of the following individuals or groups of individuals, unless otherwise specified in paragraph (b) of this section: (1) An individual living alone; (2) An individual living with others, but customarily purchasing food and preparing meals for home consumption separate and apart from others; or (3) A group of individuals who live together and customarily purchase food and prepare meals together for home consumption.

The Department correctly determined the Appellant is a SNAP household of one.

4. 7 C.F.R. § 271.2 defines an 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; (3) Receives federally or State-administered supplemental benefits under section 1616(a) of the Social Security Act provided that the eligibility to receive the benefits is based upon the disability or blindness criteria used under title XVI of the Social Security Act.

The Department correctly determined that the Appellant is an elderly household member.

- 5. 7 C.F.R. § 273.14(b)(3) provides that as part of the recertification process, the State agency must conduct an interview with a member of the household or its authorized representative at least once every 12 months for households certified for 12 months of less. The provisions of §273.2(e) also apply to interviews for recertification. The State agency may choose not to interview the household at interim recertification within the 12-month period. The requirement for an interview once every 12 months may be waived in accordance with §273.2(e)(2).
 - 7 CFR § 273.14(b)(3)(ii) provides that if a household receives PA/GA and will be recertified for SNAP benefits more than once in a 12-month period, the State agency may choose to conduct a face-to-face interview with that household only once during that period. At any other recertification during that year period, the State agency may interview the household by telephone, conduct a home visit, or recertify the household by mail.
 - 7 C.F.R. § 273.14(b)(3)(iii) provides that State agencies shall schedule interviews so that the household has at least 10 days after the interview in which to provide verification before the certification period expires. If a household misses its scheduled interview, the State agency shall send the household a Notice of Missed Interview that may be combined with the notice of denial. If a household misses its scheduled interview and requests another interview, the State agency shall schedule a second interview.

Field Ops Communication dated 2020, outlines The Elderly Simplified Application Project ("ESAP") waiver. This SNAP waiver provides flexibilities to eligible elderly and disabled SNAP EDGs, encouraging SNAP participation for these households, and reduces the amount of paperwork these households need to submit to DSS.

Field Ops Communication dated 2020 outlines the Elderly Simplified Application Project ("ESAP") waiver Eligibility Criteria:

To be ESAP-eligible, a household must contain:

- All adult household members are elderly (60+) or disabled
- No presence of earned income, and
- The household must be approved for ongoing eligibility

Benefits of ESAP households:

If households meet the above criteria, their EDGs are eligible for some "waived" regulations, including:

- A 36-month certification period (note: this population previously had a 24-month certification period)
- A waived PRF
- The opportunity to waive the interview at renewal
- Relaxed income verification requirements after application (client statement is sufficient unless questionable)

The Department incorrectly waived the recertification interview. The ESAP waiver allows the Department to waive interview at renewal under certain conditions. One of these conditions requires the household be approved for ongoing eligibility. The Department therefore cannot close the SNAP without attempting an interview and sending proper notification if the scheduled interview is missed. The Department erred by not scheduling a recertification interview or sending the household a Notification of Missed Interview prior to closing the SNAP.

6. 7 C.F.R. § 273.9(b)(2)(ii) provides that 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.

The Department correctly determined that the Appellant's gross countable income from Social Security retirement is \$1006.00 per month.

The Department correctly determined that the Appellant's gross countable income from his pension is \$785.57 per month.

The Department incorrectly determined that the Appellant's gross countable income from his IRA was \$93.92 per month. At the time of renewal, the IRA income was unclear.

7. 7 C.F.R. § 273.9(b)(1)(ii) provides that earned income shall include...(ii) The gross income from a self-employment enterprise, including the total gain from the sale of any capital goods or equipment related to the business, excluding the costs of doing business as provided in paragraph (c) of this section. Ownership of rental property shall be considered a self-employment enterprise; however, income derived from the rental property shall be considered earned income only if a member of the household is actively engaged in the management of the property at least an average of 20 hours a week. Payments from a roomer or boarder, except foster care boarders, shall also be considered self-employment income.

The Department incorrectly determined that the Appellant's gross countable income from self-employment was \$1511.08 per month. At the time of renewal, the self-employment income was unclear.

- 8. 7 C.F.R. § 273.12(c)(3) defines *Unclear information*. During the certification period, the State agency might obtain unclear information about a household's circumstances from which the State agency cannot readily determine the effect on the household's continued eligibility for SNAP, or in certain cases benefit amounts. The State agency may receive such unclear information from a third party. Unclear information is information that is not verified, or information that is verified but the State needs additional information to act on the change.
 - 7 C.F.R. § 273.12(c)(3)(i) provides that the State agency must pursue clarification and verification (if applicable) of household circumstances using the following procedure if unclear information received outside the periodic report is: Fewer than 60 days old relative to the current month of participation; and would, if accurate, have been required to be reported under the requirements that apply to the household under § 273.12 based on the reporting system to which they have been assigned. Additionally, the State agency must pursue clarification and verification (if applicable) of household circumstances using the following procedure for any unclear information that appears to present significantly conflicting information from that used by the State agency at the time of certification. The procedures for unclear information regarding matches described in § 272.13 or § 272.14 are found in paragraph (iii) of this section. (A) The State agency shall issue a written request for contact (RFC) which clearly advises the household of the verification it must provide or the actions it must take to clarify its circumstances, which affords the household at least 10 days to respond and to clarify its circumstances, either by telephone or by correspondence, as the State agency directs, and which states the consequences if the household fails to respond to the

RFC. (B) If the household does not respond to the RFC or does respond but refuses to provide sufficient information to clarify its circumstances, the State agency must issue a notice of adverse action as described in § 273.13. The State has two options: (1) The State agency may elect to send a notice of adverse action that terminates the case, explains the reasons for the action, and advises the household of the need to submit a new application if it wishes to continue participating in the program; or (2) Alternatively, the State agency may elect to issue a notice of adverse action that suspends the household for 1 month before the termination becomes effective, explains the reasons for the action, and advises the household of the need to submit new information if it wishes to continue participating. If the household responds satisfactorily to the RFC during the period of suspension, the State agency must reinstate the household without requiring a new application, issue the allotment for the month of suspension and, if necessary, adjust the household's participation with a new notice of adverse action.

The Department failed to pursue clarification of unclear information. On 2022, the Appellant provided IRS form 1040SR to verify his income for recertification. The Department entered a monthly average of the income listed on line 8 of form 1040SR as self-employment income of \$1511.08 and a monthly average of the income listed on line 4b of form 1040SR as IRA distribution income of \$93.92. Neither of these income sources were previously reported by the Appellant nor were they listed on the W-1ER renewal form he submitted on 2022. Both the amounts and the sources of the income were sufficiently discrepant from the Appellant's reported circumstances as to constitute unclear information. The Department erred by not requesting clarification of the income discrepancy and not allowing the Appellant days to respond prior to closing the SNAP.

9.	The income limits	and standards used in the SNAP are adjusted each year on the
	first day of	. The current figures used for the SNAP are effective from
	2021, through	2022.

The Department correctly determined 185% of the Federal Poverty Level ("FPL") for a household of one person to be \$1986.00.

The Department incorrectly determined that the Appellant's gross monthly income was \$3396.57 per month (SSA of \$1006.00 + pension of \$785.57 + IRA income of \$93.92 + self-employment income of \$1511.08 = \$3396.57.) Both the self-employment income and the IRA income were unclear and therefore an accurate gross monthly income amount could not have been determined.

10.7 C.F.R. § 273.2(j)(2)(i) describes categorically eligible PA and SSI households. (i) The following households are categorically eligible for SNAP benefits unless the entire household is institutionalized as defined in § 273.1(e) or disqualified for any reason from receiving SNAP benefits. (A) Any household (except those listed in paragraph (j)(2)(vii) of this section) in which all members receive or are authorized to receive cash through a PA program funded in full or in part with Federal money under Title IV-

A or with State money counted for maintenance of effort (MOE) purposes under Title IV-A; (B) 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 benefits or services from a program that is more 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 forward purposes one and two of the TANF block grant, as set forth in Section 401 of P.L. 104-193. (C) Any household (except those listed in paragraph (i)(2)(vii) of this section) in which all members receive or are authorized to receive noncash or in-kind benefits or services from a program that is more 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 three and four of the TANF block grant, as set forth in Section 401 of P.L. 104-193, and requires participants to have a gross monthly income at or below 200 percent of the Federal poverty level. (D) Any household in which all members receive or are authorized to receive SSI benefits, except that residents of public institutions who apply jointly for SSI and SNAP benefits prior to their release from the institution in accordance with § 273.11(i), are not categorically eligible upon a finding by SSA of potential SSI eligibility prior to such release. The State agency must consider the individuals categorically eligible at such time as SSA makes a final SSI eligibility and the institution has released the individual. (E) Any household in which all members receive or are authorized to receive PA and/or SSI benefits in accordance with paragraphs (j)(2)(i)(A) through (j)(2)(i)(D) of this section.

7 C.F.R. § 273.2(j)(2)(i)(ii) provides that 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: (A) Any household (except those listed in paragraph (j)(2)(vii) of this section) in which all members receive or are authorized to receive cash through a PA program funded in full or in part with Federal money under Title IV-A or with State money counted for maintenance of effort (MOE) purposes under Title IV-A; (B) 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 benefits or services from a program that is more 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 forward purposes one and two of the TANF block grant, as set forth in Section 401 of P.L. 104-193 and requires participants to have a gross monthly income at or below 185 percent of the Federal poverty level.

The Department incorrectly determined that the Appellant is not eligible for categorical or expanded categorical eligibility. The Appellant is not a recipient of Supplemental Security Income ("SSI") or Public Assistance ("PA") but because there was unclear information regarding his income, it was not possible for the Department to determine if he was over 185% of the FPL.

11.7 C.F.R. § 273.9(a) provides for *income eligibility standards*. 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)).

The Department incorrectly determined that the Appellant is subject to the net income eligibility standards. Although the Appellant was correctly determined to be elderly which would require him to meet the net income eligibility standards, categorical eligibility was not properly determined due to unclear income information. Categorical eligibility exempts SNAP participants from both the gross and net eligibility standards. The Appellant cannot be subject to the net income eligibility standards without properly establishing categorical eligibility.

12.7 C.F.R. § 273.8(a) provides for *uniform standards*. The State agency shall apply the uniform national resource standards of eligibility to all applicant households, including those households in which members are recipients of federally aided public assistance, general assistance, or supplemental security income. Households which are categorically eligible as defined in § 273.2(j)(2) or 273.2(j)(4) do not have to meet the resource limits or definitions in this section.

7 C.F.R. § 273.8(b) defines maximum allowable financial resources. The maximum allowable liquid and non-liquid financial resources of all members of a household without members who are elderly or have a disability shall not exceed \$2,000, as adjusted for inflation in accordance with paragraph (b)(1) and (b)(2) of this section. For households including one or more member who is elderly or has a disability, such financial resources shall not exceed \$3,000, as adjusted for inflation in accordance with paragraph (b)(1) and (b)(2) of this section.

The Department incorrectly subjected the Appellant to the resource (asset) limits for the SNAP. Because some of the Appellant's income was unclear, proper categorical eligibility was not established. Without establishing categorical eligibility, the Appellant cannot be subject to the resource limits for the SNAP.

DISCUSSION

After review of the testimony and evidence presented, the Department is found to have discontinued the Appellant's SNAP benefits in error. Although the Department correctly determined that the Appellant is elderly and processed his recertification

timely, they incorrectly waived the recertification interview and failed to clarify income on IRS form 1040SR which was discrepant from what was reported by the Appellant. The Department used the discrepant income to determine that the Appellant was not categorically eligible which subjected him to the resource (asset) test in error. The Department then used assets which had not been verified and discrepant income to close the SNAP on 2022.

Although a W-1348M was sent by the Department on 2022, requesting income clarification and asset verification, they were unable to provide proof that the SNAP case was reopened, that an interview had been scheduled or that a NOMI was issued as required.

Information submitted by the Appellant on 2022, verified that the income counted by the Department as self-employment was in fact, unemployment received in 2021. Records provided by the Department displayed that the Appellant's unemployment benefits ceased on 2021. Therefore, the income attributed to the Appellant as self-employment should be removed.

The information submitted by the Appellant also revealed royalty income that had not been previously reported. During testimony the Appellant stated that the IRA distributions which were paid out in 2021, lowered the balance of the IRA to \$10.65. The Department is encouraged to evaluate this information and determine if further verifications are required from the Appellant.

DECISION

The Appellant's appeal is **REMANDED** back to the Department for correction.

ORDER

- 1. The Department will reopen the Appellant's SNAP case from 2022.
- 2. The Department will remove the \$1511.08 in self-employment income.
- 3. The Department will schedule an interview with the Appellant. If the Appellant misses the scheduled interview, a NOMI shall be issued.
- 4. The Department will clarify the Appellant's IRA distribution income.
- 5. If any information is deemed necessary to complete the recertification, the Department will issue a Request for Proofs and allow the Appellant () days to provide verification.

6.	The I	Depa	artmer	nt sh	hall d	emonstrat	e compliance	e wi	th this order	no late	er th	an () d	lays
	from	the	date	of	this	decision.	Verification	of	compliance	shall	be	sent	to	the
	undersigned via email confirmation.													

Joseph Davey

Administrative Hearing Officer

CC: Jessica Carroll, Operations Manager, DSS, Norwich Regional Office Marybeth Mark, Fair Hearing Liaison, DSS, Norwich Regional Office

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, law, and 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 requested 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 the 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 the 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 if 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 to 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 per §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.