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

2023 Signature Confirmation

Client ID
Case ID
Request # 207466

NOTICE OF DECISION

<u>PARTY</u>



PROCEDURAL BACKGROUND

On 2022, the Department of Social Services (the "Department") sent (the "Appellant") a Notice of Action ("NOA) closing his benefits under the Supplemental Assistance Nutrition Program ("SNAP") effective 2023.
On 2022, the 2022, the 2022 the 2022 the 2022 the Appellant's daughter and authorized representative ("AREP"), requested an administrative hearing to contest the Department's decision to close such benefits on behalf of the Appellant.
On 2022, the Office of Legal Counsel, Regulations, and Administrative Hearings ("OLCRAH") issued a notice scheduling the administrative hearing for 2023.
On 2023, 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 via teleconference at the AREP's request.

The following individuals called in for the hearing:

Authorized Representative for the Appellant Christopher Filek, Department Representative Lisa Nyren, Fair Hearing Officer

Due to the Appellant's age, he did not participate in the administrative hearing.

STATEMENT OF THE ISSUE

The issue to be decided is whether the Department's 2022 decision to close the Appellant's SNAP benefits effective 2023 was correct.

FINDINGS OF FACT

1.	The A	pellant	receiv	ed SN	AΡ	benefits	s for	himsel	f, a	house	hold	of	one
	totaling	\$23.00) per	month.		(Exhibit	1:	Notice	of	Action	and	Αŀ	REF
	Testim	ony)											

2	The Appellant is	years old.	(ARFP's ⁻	Testimony)
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- 3. The Appellant owns his home and lives alone. The Appellant does not pay a mortgage, instead has a reverse mortgage. The Appellant pays for the following home expenses:
 - Annual property taxes \$3,809.38 or \$317.44 monthly
 - Annual homeowners insurance \$385.00 monthly
 - Lawn service
 - Cleaning service
 - Internet
 - Telephone
 - Heating and cooling
 - Water
 - Trash

(AREP's Testimony)

- 4. The Appellant receives Social Security Benefits ("SSA"). The 2022 SSA benefit equaled \$2,085.00 monthly. Effective 2023, the Appellant's SSA benefits increased to \$2,267.00. (Department Representative's Testimony and Exhibit 3: Bendex Inquiry Details)
- 5. The Appellant receives medical benefits under the QMB program, a Medicaid program which pays his Medicare Part B premiums, deductibles, and co-pays. (Department Representative's Testimony)
- 6. Due to the increase in SSA benefits beginning 2023, the Department determined the Appellant ineligible for benefits under the SNAP program effective 2023 because his net income exceeds the SNAP net income limit. (Exhibit 1: Notice of Action)

- 7. On 2022, the Department issued the Appellant a Notice of Action informing him his SNAP benefits would close effective 2023 for the reasons the monthly net income exceeds the SNAP net income limit and does not meet program requirements. (Exhibit 1: Notice of Action)
- 8. The Appellant incurs out of pocket medical expenses for prescription copays totaling \$70.00 monthly. Such costs and expenses were not reported to the Department prior to today's hearing. (AREP's Testimony)
- 9. At the administrative hearing, the AREP reported an increase in homeowner's insurance beginning 2022 to \$426.00 per month. (AREP's Testimony)
- 10. The issuance of this decision is timely under Title 7 Section 273.15(c) of the Code of Federal Regulations, which requires that a decision be issued within 60 days of the request for an administrative hearing. The AREP on behalf of the Appellant requested an administrative hearing on 2023. Therefore, this decision is due not later than 2023.

CONCLUSIONS OF LAW

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

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 273.9(a) of the Code of Federal Regulations ("C.F.R.") 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)).

Federal regulation defines an elderly member as a member of a household who is 60 years of age or older. 7 C.F.R. § 271.2

The Department correctly determined the Appellant as elderly and therefore subject to the net income eligibility standards under the SNAP.

3. 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)

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)

"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)

Federal regulation provides as follows:

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)

The Department correctly determined the Appellant's SSA as counted household income under the SNAP. The Department correctly determined the Appellant's SSA as \$2,267.00 per month beginning 2023.

Federal regulation provides as follows:

Only the following items shall be excluded from household income and no other income shall be excluded: All loans, including loans from private individuals as well as commercial institutions, other than educational loans on which repayment is deferred. Educational loans on which repayment is deferred shall be excluded pursuant to the provisions of § 273.9(c)(3)(i). A loan on which repayment must begin within 60 days after receipt of the loan shall not be considered a deferred repayment loan. 7 C.F.R. § 273.9(c)(4)

The Department correctly excluded the Appellant's income from the reverse mortgage as it is considered a loan under SNAP regulations.

 "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)

Federal regulation provides for the standard deduction under the SNAP as follows:

Effective October 1, 2002, in the 48 States and the District of Columbia, Alaska, Hawaii, and the Virgin Islands, the standard deduction for household sizes one through six shall be equal to 8.31 percent of the monthly net income eligibility standard for each household size established under <u>paragraph (a)(2)</u> of this section rounded up to the nearest whole dollar. For household sizes greater than six, the standard deduction shall be equal to the standard deduction for a six-person household.

7 C.F.R. § 273.9(d)(1)(i)

Effective October 1, 2022, the standard deduction for a household of one equals \$193.00. [United States Department of Agriculture (USDA), Food and Nutrition Services (FNS), SNAP – Fiscal Year 2023 Cost-of-Living Adjustments Memorandum, August 9, 2022]

The Department correctly determined the standard deduction as \$193.00 under the SNAP.

Federal regulation provides for the excess shelter costs under the SNAP as follows:

Monthly shelter expenses in excess of 50 percent of the household's income after all other deductions in paragraphs (d)(1) through (d)(5) of this section have been allowed. 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. For fiscal year 2001, effective March 1, 2001, the maximum monthly excess shelter expense deduction limits are \$340 for the 48 contiguous States and the District of Columbia, \$543 for Alaska, \$458 for Hawaii, \$399 for Guam, and \$268 for the Virgin Islands. FNS will set the maximum monthly excess shelter expense deduction limits for fiscal year 2002 and future years by adjusting the previous year's limits to reflect changes in the shelter component and the fuels and utilities component of the Consumer Price Index for All Urban Consumers for the 12 month period ending the previous November 30. FNS will notify State agencies of the amount of the limit. Only the following expenses are allowable shelter expenses:

- A. Continuing charges for the shelter occupied by the household, including rent, mortgage, condo and association fees, or other continuing charges leading to the ownership of the shelter such as loan repayments for the purchase of a mobile home, including interest on such payments.
- B. Property taxes, State and local assessments, and insurance on the structure itself, but not separate costs for insuring furniture or personal belongings.
- C. The cost of fuel for heating; cooling (i.e., the operation of air conditioning systems or room air conditioners); electricity or fuel used for purposes other than heating or cooling; water; sewerage; well installation and maintenance; septic tank system installation and maintenance; garbage and trash collection; all service fees required to provide service for one telephone, including, but not limited to, basic service fees, wire maintenance fees, subscriber line charges, relay

- center surcharges, 911 fees, and taxes; and fees charged by the utility provider for initial installation of the utility. One-time deposits cannot be included.
- D. The shelter costs for the home if temporarily not occupied by the household because of employment or training away from home, illness, or abandonment caused by a natural disaster or casualty loss. For costs of a home vacated by the household to be included in the household's shelter costs, the household must intend to return to the home; the current occupants of the home, if any, must not be claiming the shelter costs for SNAP purposes; and the home must not be leased or rented during the absence of the household.
- E. Charges for the repair of the home which was substantially damaged or destroyed due to a natural disaster such as a fire or flood. Shelter costs shall not include charges for repair of the home that have been or will be reimbursed by private or public relief agencies, insurance companies, or from any other source.

7 C.F.R. § 273.9(d)(6)(ii)

Federal regulation provides for the Standard Utility Allowance(s) as follows:

With FNS approval, a State agency may develop the following standard utility allowances (standards) to be used in place of actual costs in determining a household's excess shelter deduction: an individual standard for each type of utility expense; a standard utility allowance for all utilities that includes heating or cooling costs (HCSUA); and, a limited utility allowance (LUA) that includes electricity and fuel for purposes other than heating or cooling, water, sewerage, well and septic tank installation and maintenance, telephone, and garbage or trash collection. The LUA must include expenses for at least two utilities. However, at its option, the State agency may include the excess heating and cooling costs of public housing residents in the LUA if it wishes to offer the lower standard to such households. The State agency may use different types of standards but cannot allow households the use of two standards that include the same expense. In States in which the cooling expense is minimal, the State agency may include the cooling expense in the electricity component. The State agency may vary the allowance by factors such as household size, geographical area, or season. Only utility costs identified in paragraph (d)(6)(ii)(C) of this section must be used in developing standards.

7 C.F.R. § 273.9(d)(6)(iii)(A)

SNAP FY 2023 Standard Utility Allowance for October 1, 2022 – September 30, 2023 for Connecticut equals \$921.00. USDA/FNS

The Department correctly determined the Appellant's total shelter costs as \$1,623.45.

Taxes	\$317.44
Plus Homeowners Insurance	\$385.00
Plus SUA	\$921.00
Equals Total Shelter Costs	\$1,623.45

Federal regulation provides in pertinent part for an 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.

7 C.F.R. § 273.9(d)(3)

Federal regulation provides in pertinent part:

At certification and recertification, the household shall report and verify all medical expenses. The household's monthly medical deduction for the certification period shall be based on the information reported and verified by the household, and any anticipated changes in the household's medical expenses that can be reasonably expected to occur during the certification period based on available information about the recipient's medical condition, public or private insurance coverage, and current verified medical expenses. The household shall not be required to file reports about its medical expenses during the certification period. If the household voluntarily reports a change in its medical expenses, the State agency shall verify the change in accordance with § 273.2(f)(8)(ii) if the change would increase the household's allotment.

7 C.F.R. § 273.10(d)(4)

The Department correctly excluded a monthly medical expense deduction. An elderly SNAP recipient may qualify for an excess medical expense deduction when out of pocket medical expenses incurred are reported and verified with the Department. The AREP reported out of pocket medical expenses incurred by the Appellant at the administrative hearing, subsequently after the Department's 2022 action to close SNAP benefits.

5. Federal regulation provides as follows:

Households which contain an elderly or disabled member as defined in § 271.2, shall have their net income, as calculated in paragraph (e)(1) of this section (except for households considered destitute in accordance with paragraph (e)(3) of this section), compared to the monthly income eligibility standards defined in § 273.9(a)(2) for the appropriate household size to determine eligibility for the month.

7 C.F.R. § 273.10(e)(2)(i)(A)

Federal regulation provides as follows:

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)

"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)

The Department correctly determined the Appellant's monthly net income as \$1,488.00 per month.

Total gross income	\$2,267.00
Minus standard disregard	\$193.00
Equals adjusted gross income (AGI)	\$2,074.00
Total shelter costs	\$1,623.45
Minus 50% of AGI	\$1,037.00
Equals excess shelter costs	\$586.45
AGI	\$2,074.00
Minus excess shelter costs	\$586.45
Equals MONTHLY NET INCOME	\$1,487.55

6. Federal regulation provides as follows:

The net income eligibility standards for SNAP shall be as follows: The income eligibility standards for the 48 contiguous States and the District of Columbia, Guam and the Virgin Islands shall be the Federal income poverty levels for the 48 contiguous States and the District of Columbia.

7 C.F.R. § 273.9(a)(2)(i)

The Department of Health and Human Services lists the annual 2023 Poverty Guidelines for the 48 Contiguous States and the District of Columbia as \$13,590.00 for a household of one. [Federal Register, Vol. 87, No, 14, January 21, 2022 pp 3315]

\$13,590.00 annual Federal Poverty Level ("FPL") for household of one / 12 months = \$1,132.50 monthly FPL for a household of one

The Department correctly determined the Appellant's net monthly income of \$1,487.55 exceeds the SNAP net income eligibility standard of \$1,133.00.

The Department correctly determined the Appellant ineligible for benefits under the SNAP beginning 2023 for the reason your net monthly income exceeds the SNAP net monthly income limit.

DECISION

The Appellant's appeal is DENIED.

<u>Lísa A. Nyren</u> Lisa A. Nyren Fair Hearing Officer

CC: Brian Sexton, SSOM RO #50 Christopher Filek, FHL RO #50

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 <u>what</u> 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, 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.