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

Signature Confirmation

Client ID
Case ID
Request # 223134

# ADMINISTRATIVE DISQUALIFICATION HEARING NOTICE OF DECISION

## **PARTY**



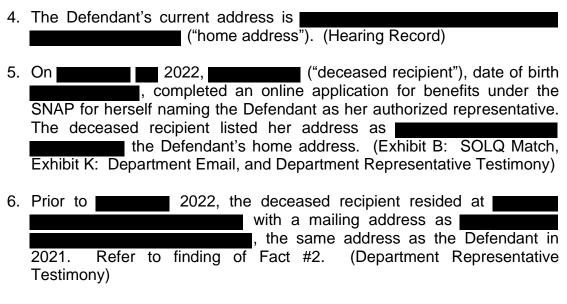
#### **REASON FOR HEARING**

On 2023, the OLCRAH mailed the Defendant a Notice of Administrative Hearing ("NoAH") via United States Postal Service ("USPS") certified mail informing the Defendant that the Department scheduled of an administrative disqualification hearing ("ADH") for 2023. The NoAH included notification of the Defendant's rights in these proceedings and the Department's hearing summary and evidence supporting the Department's case against the Defendant.

2023, the OLCRAH reissued NoAH and supporting documents the Defendant via USPS certified mail using the correct address. The NoAH sted the reschedule date for the administrative hearing as 2023.					
On 2023, the Defendant received the NoAH, notification of her rights, the hearing summary, and supporting evidence as documented by the signed USPS certified mail restricted delivery receipt received by the OLCRAH.					
On 2023, OLCRAH conducted the ADH in accordance with section 17b-88 of the Connecticut General Statutes and Title 7 of the Code of Federal Regulations section 273.16, subsection (e).					
The Defendant did not appear for the ADH on 2023 and has not shown any good cause for her failure to appear.					
The following individuals were present at the hearing:					
Angela Malena, Investigations Supervisor and Department Representative Lisa Nyren, Fair Hearing Officer					
STATEMENT OF THE ISSUE					
The issue to be decided is whether the Defendant committed an intentional program violation ("IPV") of the SNAP and subject to a twelve (12) month disqualification penalty under the SNAP.					
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program violation ("IPV") of the SNAP and subject to a twelve (12) month disqualification penalty under the SNAP.  A secondary issue to be decided is whether the Department's proposal to pursue a SNAP overpayment claim for the period 2023 through 2023 in the amount of \$546.91 is correct.					

- 3. Applicants who apply for public assistance programs electronically/online must review and accept public assistance programs rights and responsibilities electronically in order to submit an online application for benefits. The SNAP rights and responsibilities include the following statements:
  - If I intentionally misuse an Electronic Benefits Transfer (EBT) card, I may no longer get SNAP. I may also be fined up to \$250,000 or sent to jail for up to 20 years or both. Misuse of an EBT card means altering, selling, or trading a card, using someone else's card without permission or exchanging benefits.
  - If I break any of the rules on purpose I can be barred from SNAP from between one year and permanently, fined up to \$250,000, and/or imprisoned up to 20 years. I may also be subject to prosecution under any other applicable federal and state laws and I may also be barred from SNAP for an additional 18 months if court ordered.
  - If I break a SNAP rule on purpose or if I am found guilty of buying a product with SNAP that has a container with a return deposit with the intent of getting cash by dumping the product out and returning the container for cash I am ineligible to get SNAP. The first time I break a rule I will not be able to get SNAP for one year. The second time I will not be able to get SNAP for two years. The third time I will not be able to get SNAP ever again.

(Exhibit M: Rights and Responsibilities and Department Representative Testimony)



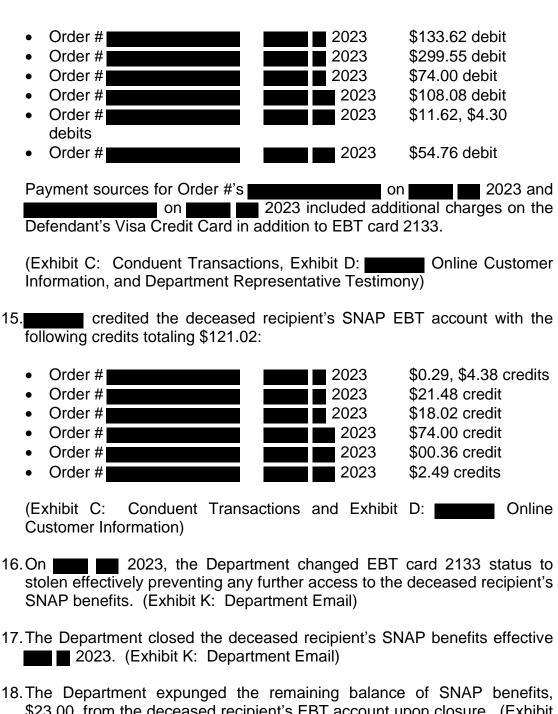
7. The Defendant is the daughter of the deceased recipient. (Department Representative Testimony and Exhibit A: Referral)

- 8. On 2023, the Department issued the deceased recipient an Electronic Benefits Transfer ("EBT") card with the number ("EBT card 2133"). (Exhibit K: Department Email)
- 9. The Department entered the Defendant as a responsible shopper on behalf of the deceased recipient but did not issue her a separate EBT card to access the deceased recipient's SNAP benefits. (Exhibit K: Department Email)
- 10. The Department granted the deceased recipient's application for SNAP for a household of one, the deceased recipient, and issued the following monthly SNAP benefits to her SNAP EBT account:

Issuance Month	Issuance Amount	Supplemental Amount	
2022	\$00.00		
2023	\$23.00	\$258.00	
2023	\$23.00	\$281.00	
2023	\$23.00		
2023	\$23.00		
2023	\$23.00		
2023	\$23.00		
2023	\$23.00		

(Exhibit C: Conduent Transaction Report and Exhibit K: Department Email)

- 11.On 2023, the deceased recipient died. (Exhibit B: SOLQ Match and Department Representative Testimony)
- 12.On 2023, the Department Resources Unit completed a closed case review and submitted a referral to the Investigations Unit to review for possible IPV. The Resource Unit completes close case reviews for unauthorized EBT card use for all cases when there is a death of a household member. (Department Representative Testimony and Exhibit A: Update Referral)
- 13. Collects information from customers who place orders online. This can include name, telephone number, email, billing information, and address. (Exhibit D: Online Customer Information and Department Representative Testimony)
- 14. The Defendant made the following online purchases totaling \$685.93 on .com using the deceased recipient's SNAP EBT card 2133 as payment method as supported by the \_\_\_\_\_\_\_ transaction history linking the Defendant as the customer who placed the following orders with .com through the iPhone App and Mobile Web:



- 18. The Department expunged the remaining balance of SNAP benefits, \$23.00, from the deceased recipient's EBT account upon closure. (Exhibit K: Department Email)
- 2023, the Department completed their investigation of suspected IPV of the Defendant. The Department's investigation revealed the Defendant accessed the deceased recipient's EBT account after her death effectively without her permission resulting in an IPV under the SNAP. The Defendant made online purchases totaling \$685.93 and paid for these purchases using the deceased recipient's SNAP EBT card 2133. The Defendant is subject to an IPV penalty under the SNAP resulting in a

one year disqualification from benefits. The Defendant has no prior penalties under the SNAP. Due to the IPV, the Department concluded the Defendant overpaid \$672.91 in 2023. Refer to Finding of Facts # 8, 13, 14, and 15. (Exhibit F: Notice of Prehearing Interview W-1448, Exhibit I: IPV Report, Exhibit J: e-DRS, and Department Representative Testimony)

- 20. On 2023, the Department issued the Defendant a W-1448 Notice of Prehearing Interview Food Stamp Program ("W-1448") letter informing her the Department believes she broke the rules of the Food Stamp program and charged her with an overpayment of \$672.99 for the reason "you used [the deceased recipient's] EBT card after her death." The Department scheduled an appointment for 2023 at the local Regional Office to discuss the charges. The letter informed her of the right to an administrative disqualification hearing, disqualification penalties, possible legal action, and her right to remain silent about the charges. (Exhibit F: Notice of Prehearing Interview W-1448)
- 21.On 2023, the Department issued the Defendant a W-1449 Waiver of Disqualification Hearing SNAP Program ("W-1449") letter informing her the Department is charging her with an intentional program violation (IPV) of the SNAP. The Defendant is given three options to sign the waiver: I knowingly and voluntarily admit to the facts as presented, I do not admit to the facts as presented but knowingly and voluntarily sign this waiver and understand that a disqualification penalty will result, or I have read this notice and wish to exercise my right to have an administrative hearing. (Exhibit F: Waiver of Disqualification Hearing SNAP Program W-1449)
- 22. The Defendant did not appear for the prehearing Interview scheduled for 2023. (Hearing Summary and Department Representative Testimony)
- 23. The Department charges the Defendant with an IPV under the SNAP because the Defendant made unauthorized online grocery purchases with the deceased recipient's EBT card 2133 after the deceased recipient's death. The Defendant did not have authorization from the deceased recipient for such purchases after her death. Refer to Finding of Facts #19. (Exhibit F: Notice of Prehearing Interview W-1448, Exhibit I: IPV Report, Exhibit J: e-DRS, Exhibit K: Department Email, and Department Representative Testimony)
- 24.On 2023, the OLCRAH received a request for an ADH from the Investigations Unit at the Department. Included in this request were the hearing summary, supporting evidence, a notice listing legal

services available in the state, and the ADH and rights information sheet. (Hearing Record)

- 25. As of 2023, the Department recalculated the overpayment claim as \$564.91. Total charges \$685.93 minus total credits \$121.02 equals \$564.91. Refer to Finding of Fact #'s14 and 15. (Hearing Record)
- 26. On 2023, OLCRAH conducted the administrative disqualification hearing to determine whether or not an IPV occurred and a fair hearing to determine the amount of the claim at the same time.

# **CONCLUSIONS OF LAW**

1. Section 17b-2(7) of the Connecticut General Statutes ("Conn. Gen. Stat.") 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 273.16(e) of the Code of Federal Regulations ("C.F.R.") provides as follows:

The State agency shall conduct administrative disqualification hearings for individuals accused of an Intentional Program Violation ("IPV") in accordance with the requirements outlined in this section.

Federal regulation provides for the Consolidation of administrative disqualification hearing with fair hearing.

The State agency may combine a fair hearing and an administrative disqualification hearing into a single hearing if the factual issues arise out of the same, or related, circumstances and the household receives prior notice that hearings will be combined. If the disqualification hearing and fair hearing are combined, the State agency shall follow the timeframes for conducting disqualification hearings. If the hearings are combined for the purpose of settling the amount of the claim at the same time as determining whether or not intentional Program violation has occurred, the household shall lose its right to a subsequent fair hearing on the amount of the claim. However, the State agency shall, upon household request, allow the household to waive the 30-day advance notice period required by paragraph (e)(3)(i) of this section when the disqualification hearing and fair hearing are combined.

State Statute provides as follows:

If a beneficiary of assistance under the state supplement program, medical assistance program, aid to families with dependent children program, temporary family assistance program, state-administered general assistance program, food stamp program or supplemental nutrition assistance program receives any award or grant over the amount to which he is entitled under the laws governing eligibility, the Department of Social Services (1) shall immediately initiate recoupment action and shall consult with the Division of criminal Justice to determine whether to refer such overpayment, with full supporting information, to the state police, to a prosecuting authority for prosecution or to the Attorney General for civil recovery, or (2) shall take such other action as conforms to federal regulations, including, but not limited to, conducting administrative disqualification hearings for cases involving alleged fraud in the food stamp program, supplemental nutrition assistance program, the aid to families with dependent children program, the temporary family assistance program or the state-administered general assistance program.

Conn. Gen. Stat. § 17b-88

The Department has the authority to consolidate into a single hearing an administrative disqualification hearing with a fair hearing and conduct both hearings simultaneously.

#### 3. Federal regulation provides as follows:

The State agency shall be responsible for investigating any case of alleged intentional Program violation and ensuring that appropriate cases are acted upon either through administrative disqualification hearings or referral to a court of appropriate jurisdiction in accordance with the procedures outlines in this section. Administrative disqualification procedures or referral for prosecution action should be initiated by the State agency in cases in which the State agency has sufficient documentary evidence to substantiate that an individual has intentionally made one or more acts of intentional Program violation as defined in paragraph (c) of this section. If the State agency does not initiate administrative disqualification procedures or refer for prosecution a case involving an over issuance caused by a suspected act of intentional Program violation, the State agency shall take action to collect the over issuance by establishing an inadvertent household error claim against the household in accordance with the procedures in § 273.18. The State agency should conduct administrative disqualification hearings in cases in which the State agency believes the facts of the individual case do not warrant civil or criminal prosecution through the appropriate court system, in cases previously referred for prosecution that were declined by the appropriate legal authority, and in previously referred cases where no action was taken within a reasonable period of time and the referral was formally withdrawn by the State agency. The State agency shall not initiate an administrative disqualification hearing against an accused individual whose case is currently being referred for prosecution or subsequent to any action taken against the accused individual by the prosecutor or court of appropriate jurisdiction, if the factual issues of the case arise out of the same, or related, circumstances. The State agency may initiate administrative disqualification procedures or refer a case for prosecution regardless of the current eligibility of the individual.

7 C.F.R. § 273.16(a)(1)

Federal regulation provides as follows:

The State agency shall base administrative disqualifications for intentional Program Violations ("IPV") on the determinations of hearing authorities arrived at through administrative disqualification hearings in accordance with paragraph (e) of this section or on determinations reached by courts of appropriate jurisdiction in accordance with paragraph (g) of this section. However, any State agency has the option of allowing accused individual either to waive their rights to administrative disqualification hearings in accordance with paragraph (f) of this section or to sign disqualification consent agreements for cases of deferred adjudication in accordance with paragraph (h) of this section. Any State agency which chooses either of these options may base administrative disqualifications for intentional Program violation on the waived right to an administrative disqualification hearing or on the signed disqualification consent agreement in cases of deferred adjudication.

7 C.F.R. § 273.16(a)(3)

"Intentional Program violations ("IPV") shall consist of having: Committed any act that constitutes a violation of SNAP, SNAP regulations, or any State statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing or trafficking of SNAP benefits or EBT cards." 7 C.F.R. § 273.16(c)

Under federal regulation 7 C.R.F. § 271.2 the definition of trafficking includes stealing and/or effecting an exchange of SNAP benefits issued and accessed via Electronic Benefit Transfer (EBT) cards, card numbers, and personal identification numbers (PINS) in collusion with others or acting alone.

"The hearing authority shall base the determination of intentional program violation on clear and convincing evidence that demonstrates that the

household member(s) committed, and intended to commit, intentional Program violation as defined in paragraph (c) of this section." 7 C.F.R. § 273.16(e)(6)

4. "Each State agency shall establish a system to verify and ensure that benefits are not issued to individual who are deceased." 7 CFR § 272.14(a)

"States shall use the SSA's Death Master File, obtained through the State Verification and Exchange System (SVES) and enter into a computer matching agreement with SSA pursuant to authority to share data contained in 42 USC 405(r)(3). 7 CFR § 272.14(b)

Federal regulation provides as follows:

Notwithstanding paragraph (i)(1) of this section, in instances when the State agency verifies a death match for all certified members of the household and closes the SNAP case in accordance with § 272.14 of this chapter, the State agency shall expunge the remaining SNAP balance in the household's EBT account at that time. In accordance with § 273.13(b)(2) of this chapter, expungement notices, per paragraph (i)(2) of this section, are not required for these households.

7 CFR § 274.2(i)(4)

The Department correctly determined the deceased recipient's date of death as 2023.

5. Federal regulation provides as follows:

Program benefits may be used only by the household, or other persons the household selects, to purchase eligible food for the household, which includes, for certain households, the purchase of prepared meals, and for other households residing in certain designated areas of Alaska, the purchase of hunting and fishing equipment with benefits.

7 CFR § 274.7(a)

 "Representatives may be authorized to act on behalf of a household in the application process, in obtaining SNAP benefits, and in using SNAP benefits." 7 CFR § 273.2(n)

Federal regulation provides as follows:

An authorized representative may be designated to obtain benefits. Even if the household is able to obtain benefits, it should be encouraged to

name an authorized representative for obtaining benefits in case of illness or other circumstances which might result in an inability to obtain benefits. The name of the authorized representative must be recorded in the household's case record. The authorized representative for obtaining benefits may or may not be the same individual designated as an authorized representative for the application process or for meeting reporting requirements during the certification period.

7 CFR § 273.2(n)(2)

Federal regulation provides as follows:

A household may allow any household member or nonmember to use its EBT card to purchase food or meals, if authorized, for the household. Drug or alcohol treatment centers and group living arrangements which act as authorized representatives for residents of the facilities must use SNAP benefits for food prepared and served to those residents participating in SNAP (except when residents leave the facility as provided in § 273.11(e) and (f)).

7 CFR § 273.2(n)(3)

Federal regulation provides as follows:

The State agency must establish procedures to ensure that all appropriate household members and authorized representatives (including individuals permitted by the household to purchase food or meals on their behalf, as provided for in <u>7 CFR 273.2(n)(3)</u> and § <u>274.7(a)</u>), can access SNAP benefits for the household regardless of who is pictured on the card or if there is no picture. States shall not require households to notify or provide the State information regarding individuals making purchases permitted by the household on an ad-hoc basis.

7 CFR § 274.8(f)(9)

Based on the hearing record, the exact permissions given to the Defendant as the deceased recipient's authorized representative between the time of application and her death cannot be determined. Whether the deceased recipient limited the Defendant's authorized representative's duties to application processing or authorized shopper for SNAP, cannot be determined.

However, the Department correctly determined the Defendant did not have the deceased recipient's authorization or permission upon her death to access her SNAP benefits from her account <u>after</u> 2023. The hearing record is void of any evidence to support that the

2023 transaction was without the deceased recipient's permission as exact time of death cannot be determined based on the hearing record. As the deceased recipient's death was on 2023, the transactions completed by the Defendant on 2023, 20

The Department correctly determined the Defendant committed trafficking violations under SNAP regulations by accessing the deceased recipient's SNAP EBT benefits without the deceased recipient's permission after her death on 2023 resulting in an IPV under the SNAP. Federal entitlement for benefits, including SNAP benefits, ceases upon death. SNAP benefits are not assets that can be distributed to a deceased individual's heirs and therefore access to benefits upon a recipient's death is considered stealing.

## 7. Federal regulation provides as follows:

If the hearing authority rules that the individual has committed an intentional Program violation, the household member must be disqualified in accordance with the disqualification periods and procedures in paragraph (b) of this section. The same act of intentional Program violation repeated over a period of time must not be separated so that separate penalties can be imposed.

7 C.F.R. § 273.16(e)(8)(i)

Federal regulation provides as follows:

Individuals found to have committed an intentional Program violation either through an administrative disqualification hearing or by a Federal, State or local court, or who have signed either a waiver of right to an administrative disqualification hearing or a disqualification consent agreement in cases referred for prosecution, shall be ineligible to participate in the Program: for a period of twelve months for the first intentional Program violation, except as provided under paragraphs (b)(2), (b)(3), (b)(4), and (b)(5) of this section.

7 C.F.R. § 273.16(b)(1)(i)

The Department correctly determined the Defendant is subject to a 12-monthly disqualification penalty under the SNAP because she committed trafficking violations under the SNAP when she accessed the deceased recipient's SNAP benefits after her death, effectively without her permission.

8. "A recipient claim is an amount owed because of: Benefits that are trafficked. Trafficking is defined in 7 CFR 271.2." 7 C.F.R. § 273.18(a)(1)(ii)

"This claim is a Federal debt subject to this and other regulations governing Federal debts. The State agency must establish and collect any claim by following these regulations. 7 C.F.R. § 273.18(a)(2)

"There are three types of claims: An Intentional Program violation (IPV) claim is any claim for an overpayment or trafficking resulting from an individual committing an IPV. An IPV is defined in 273.16." 7 C.F.R. § 273.18(b)(1)

"Claims arising from trafficking-related offenses will be the value of the trafficked benefits as determined by the documentation that forms the basis for the trafficking determination." 7 C.F.R. § 273.18(c)(2)(iii)

"The following are responsible for paying a claim: A person connected to the household, such as an authorized representative, who actually trafficks or otherwise causes an overpayment or trafficking." 7 C.F.R. § 273.18(a)(4)(i)

The Department correctly established an overpayment claim under the SNAP for which the Defendant is responsible for paying due to the trafficking offense resulting in an IPV.

The Department incorrectly determined the claim amount as \$564.91 which included the 2023 transaction and credits. The correct overpayment claim equals \$435.96 as the Department failed to establish the Defendant did not have permission from the deceased recipient on the date of death. (\$552.31 unauthorized transactions - \$116.35 EBT credits = \$435.96)

Date of Charge	Charge Amount	Date of Credit	Credit Amount
/23	\$299.55	/23	\$21.48
/23	\$74.00	/23	\$18.02
/23	\$108.08	/23	\$74.00
/23	\$11.62	/23	\$00.36
/23	\$4.30	/23	\$2.49
/23	\$54.76		
Total charged	\$552.31	Total credits	\$116.35

# **DECISION**

The Defendant is found guilty of committing an IPV under the SNAP and subject to a 12-month SNAP disqualification penalty.

The Defendant is subject to an overpayment claim of \$435.96 for which she is liable for repayment.

# <u>ORDER</u>

- 1. The Department must adjust the overpayment claim from \$564.91 to \$435.96 resulting from the IPV. Refer to Conclusion of Law #8.
- 2. Compliance is due 10 days from the date of this decision.

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

CC: Angelica Branfalt, DSS #11 Nawaz Shaikh, DSS #11 Angela Malena, DSS RO #11 OLCRAH.QA.DSS@ct.gov

# **RIGHT TO APPEAL**

The defendant has the right to appeal this decision to Superior Court within 45 days of the mailing of this decision. 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 06105-3725. 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 her 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 defendant resides.