

March 17, 2025



Dear **REMOVED**

Enclosed is a copy of the decision resulting from the hearing held in the above-referenced matter.

In arriving at a decision, the State Hearing Officer is governed by the Public Welfare Laws of West Virginia and the rules and regulations established by the Department of Human Services. These same laws and regulations are used in all cases to assure that all persons are treated alike.

You will find attached an explanation of possible actions you may take if you disagree with the decision reached in this matter.

Sincerely,

Eric L. Phillips State Hearing Officer Member, State Board of Review

Encl: Recourse to Hearing Decision Form IG-BR-29

cc: Kristyne Hoskins, BFA

WEST VIRGINIA OFFICE OF INSPECTOR GENERAL BOARD OF REVIEW

REMOVED

Appellant,

v.

Action Number: 25-BOR-1362

WEST VIRGINIA DEPARTMENT OF HUMAN SERVICES BUREAU FOR FAMILY ASSISTANCE,

Respondent.

DECISION OF STATE HEARING OFFICER

INTRODUCTION

This is the decision of the State Hearing Officer resulting from a fair hearing for **REMOVED**. This hearing was held in accordance with the provisions found in Chapter 700 of the Office of Inspector General Common Chapters Manual. This fair hearing convened on March 6, 2025, on an appeal February 13, 2025.

The matter before the Hearing Officer arises from the January 27, 2025 decision by the Respondent to reduce the Appellant's Supplemental Nutrition Assistance Program (SNAP) benefits.

At the hearing, the Respondent appeared by Victoria Petro, Economic Service Worker. The Appellant appeared pro se. All witnesses were sworn and the following documents were admitted into evidence.

Department's Exhibits:

None

Appellant's Exhibits:

None

After a review of the record, including testimony, exhibits, and stipulations admitted into evidence at the hearing, and after assessing the credibility of all witnesses and weighing the evidence in consideration of the same, the Hearing Officer sets forth the following Findings of Fact.

FINDINGS OF FACT

- 1) The Appellant was a recipient of SNAP benefits.
- 2) The Appellant received \$156.00 in monthly SNAP benefits.
- 3) The Appellant received Supplemental Security Income (SSI) in the net amount of \$193.70.
- 4) The Appellant received a Cost-of-Living Adjustment (COLA) to her SSI income effective January 2025.
- 5) The COLA increased the Appellant's gross SSI income to \$295.00 monthly.
- 6) The COLA increased the Appellant's net SSI income to \$198.30 monthly.
- 7) The increase in income resulted in a decrease of the Appellant's monthly SNAP benefits from \$156.00 to \$103.00.
- 8) On January 27, 2025, the Respondent notified the Appellant that her SNAP benefits would decrease from \$156.00 to \$103.00, effective March 1, 2025.
- 9) Prior to the reduction of SNAP benefits, the Respondent discovered an error in the calculation of the Appellant's SNAP benefits. The Respondent remedied the error prior to March 1, 2025, increasing the Appellant's SNAP benefits from \$103.00 to \$146.00.

APPLICABLE POLICY

West Virginia Income Maintenance Manual Chapter 10.34.3.B documents:

When the reported change results in a decrease in benefits, the change is effective the following month, if there is time to issue advance notice. If not, the change is effective two months after it occurs. No claim is established unless the client failed to report in a timely manner, and this is the only reason the change could not be made within 13 days for the advance notice period.

West Virginia Income Maintenance Manual Chapter 10.4.4.D documents:

Recipients of federal benefits, such as RSDI, SSI, Black Lung, or VA Benefits, may receive periodic COLAs. RSDI/SSI increases are handled in accordance with instructions in Appendix A of this chapter. All other federal benefit COLAs are treated as any other change, except that the client is not required to report the change.

West Virginia Income Maintenance Manual Chapter 10 Appendix A documents:

In January 2025, Supplemental Security Income (SSI) and Retirement, Survivors, and Disability Insurance (RSDI) recipients received a cost-of-living adjustment (COLA) of 2.5%. The new monthly maximum federal SSI payment levels for 2025 are: Single – \$967 Couple – \$1,450 In 2025, the standard Part B premium amount will be \$185.00.

West Virginia Income Maintenance Manual Chapter 10 Appendix A.1 documents in pertinent part:

The annual COLA Mass Change occurred on January 25, 2025, for most assistance groups (AGs) in the eligibility system that have RSDI and/or SSI entered or Medicare enrollment. Reports that identify individuals affected by the COLA update become available on MOBIUS January 27, 2025. Manual updates must be completed by the February deadline, effective March 2025. Advance notice requirements apply. For the automatic update to occur, the Social Security Number (SSN) in the eligibility system must match the SSN in the Social Security Administration (SSA) file. In addition, the individual's RSDI and/or SSI income must have been entered in the eligibility system. The automatic update is effective March 2025. The automatic update does not occur if the income was entered, but end-dated prior to March 2025. It also does not occur if the begin date for RSDI and/or SSI income is later than February 2025.

Code of Federal Regulations § 273.12(4)(e) documents in pertinent part:

Mass changes. Certain changes are initiated by the State or Federal government which may affect the entire caseload or significant portions of the caseload. These changes include, but are not limited to, adjustments to the income eligibility standards, the shelter and dependent care deductions, the maximum SNAP allotment and the standard deduction; annual and seasonal adjustments to State utility standards; periodic cost-of-living adjustments to Retirement, Survivors, and Disability Insurance (RSDI), Supplemental Security Income (SSI) and other Federal benefits; periodic adjustments to Temporary Assistance for Needy Families (TANF) or General Assistance (GA) payments; and other changes in the eligibility and benefit criteria based on legislative or regulatory changes.

(1) Federal adjustments to eligibility standards, allotments, and deductions, and State adjustments to utility standards.

(i) State agencies shall implement these changes for all households at a specific point in time. Adjustments to Federal standards shall be implemented prospectively regardless of the household's budgeting system. Annual and seasonal adjustments in State utility standards shall also be implemented prospectively for all households.

(A) Adjustments in the maximum SNAP allotment shall be effective in accordance with $\frac{8}{273.10(e)(4)(ii)}$.

(B) Adjustments in the standard deduction shall be effective in accordance with $\frac{8}{273.9(d)(1)}$.

(C) Adjustments in the shelter deduction shall be effective in accordance with \S <u>273.9(d)(6)</u>.

(D) Adjustments in the income eligibility standards shall be effective in accordance with $\frac{8}{273.9(a)(3)}$.

(ii) A notice of adverse action shall not be used for these changes. At a minimum, the State agencies shall publicize these mass changes through the news media; posters in certification offices, issuance locations, or other sites frequented by certified households; or general notices mailed to households. At its option, the State agency may send the notice described in paragraph (e)(4) of this section or some other type of written explanation of the change. A household whose certification period overlaps a seasonal variation in the State utility standard shall be advised at the time of initial certification of when the adjustment will occur and what the variation in the benefit level will be, if known.

(2) Mass changes in public assistance and general assistance.

(i) When the State agency makes an overall adjustment to public assistance (PA) payments, corresponding adjustments in households' SNAP benefits shall be handled as a mass change in accordance with the procedures in paragraphs (e) (4), (5) and (6) of this section. When the State agency has at least 30 days, advance knowledge of the amount of the PA adjustment, the State agency shall make the change in benefits effective in the same month as the PA change. If the State agency does not have sufficient notice, the SNAP change shall be effective no later than the month following the month in which the PA change was made.

(ii) State agencies which also administer a general assistance (GA) program shall handle mass adjustments to GA payments in accordance with the schedules outlined in paragraph (e)(2)(i) and the procedures in paragraphs (e) (4), (5) and (6) of this section. However, where State agencies do not administer both programs, mass changes in GA payments shall be subject to the schedule in paragraph (e)(3) and the procedures in paragraphs (e) (4), (5) and (6) of this section.

(3) *Mass changes in Federal benefits.* The State agency shall establish procedures for making mass changes to reflect cost-of-living adjustments (COLAs) in benefits and any other mass changes under RSDI, SSI, and other programs such as veteran's assistance under title 38 of the United States Code and the Black Lung Program, where information on COLA's is readily available and is applicable to all or a majority of those programs' beneficiaries. A State agency may require households

to report the change on the appropriate monthly report or may handle the change using the mass change procedures in this section. If the State agency requires the household to report the information on the monthly report, the State agency shall handle such information in accordance with its normal procedures. Households that are not required to report the change on the monthly report, and households not subject to monthly reporting, shall not be responsible for reporting these changes. The State agency shall be responsible for automatically adjusting these households' SNAP benefit levels in accordance with either <u>paragraph (e)(3)(i)</u> or <u>(e)(3)(ii)</u> of this section.

(i) The State agency may make mass changes by applying percentage increases communicated by the source agency to represent cost-of-living increases provided in other benefit programs. These changes shall be reflected no later than the second allotment issued after the month in which the change becomes effective.

(ii) The State agency may update household income information based on cost-ofliving increases supplied by a data source covered under the Computer Matching and Privacy Protection Act of 1988 (CMA) in accordance with § 272.12 of this chapter. The State agency shall take action, including proper notices to households, to terminate, deny or reduce benefits based on this information if it is considered verified upon receipt under § 273.2(f)(9). If the information is not considered verified upon receipt, the State agency shall initiate appropriate action and notice in accordance with § 273.2(f)(9).

(4) *Notice for mass change.* When the State agency makes a mass change in SNAP eligibility or benefits by simultaneously converting the caseload, or that portion of the caseload that is affected, using the percentage increase calculation provided for in \S 273.12(e)(3)(i), or by conducting individual desk reviews using information not covered under the Computer Matching and Privacy Protection Act (CMA) in place of a mass change, it shall notify all households whose benefits are reduced or terminated in accordance with the requirements of this paragraph, except for mass changes made under \S 273.12(e)(1); and

(i) At a minimum, the State agency shall inform the household of:

- (A) The general nature of the change;
- (B) Examples of the change's effect on households' allotments;
- (C) The month in which the change will take effect;
- (D) The household's right to a fair hearing;

(E) The household's right to continue benefits and under what circumstances benefits will be continued pending a fair hearing;

(F) General information on whom to contact for additional information; and

(G) The liability the household will incur for any overissued benefits if the fair hearing decision is adverse.

(ii) At a minimum, the State agency shall notify the household of the mass change or the result of the desk review on the date the household is scheduled to receive the allotment which has been changed.

(iii) In addition, the State shall notify the household of the mass change as much before the household's scheduled issuance date as reasonably possible, although the notice need not be given any earlier than the time required for advance notice of adverse action.

(5) *Fair hearings.* The household shall be entitled to request a fair hearing when it is aggrieved by the mass change.

(6) *Continuation of benefits.* A household which requests a fair hearing due to a mass change shall be entitled to continued benefits at its previous level only if the household meets three criteria;

(i) The household does not specifically waive its right to a continuation of benefits;

(ii) The household requests a fair hearing in accordance with $\frac{273.13(a)(1)}{273.13(a)(1)}$; and

(iii) The household's fair hearing is based upon improper computation of SNAP eligibility or benefits, or upon misapplication or misinterpretation of Federal law or regulation.

DISCUSSION

Federal regulations require mass changes to SNAP recipients related to periodic COLA for recipients of Federal benefits. The Respondent implement this mass change in January 2025, effective for monthly benefits in March 2025. The Appellant, a recipient of SSI income from the Social Security Administration, was the recipient of a COLA and subject to the mass change of SNAP benefits. The COLA resulted in a reduction of the Appellant's monthly SNAP benefit from \$156.00 to \$103.00. The Respondent issued notice to the Appellant informing her of the decrease in SNAP benefits, effective March 1, 2025, due to the increase in income. The Appellant contests the reduction in SNAP benefits, citing that the reduction creates an additional financial burden for her household. The Respondent must prove by a preponderance of the evidence that it correctly reduced the Appellant's monthly SNAP benefits.

On February 13, 2025, prior to the effective reduction of SNAP benefits, the Respondent discovered an error in the calculation of the Appellant's SNAP benefits in which it utilized the gross federal benefit amount instead of the net benefit amount. The Respondent corrected the error

which resulted in an increase of the proposed reduction of the Appellant's monthly SNAP benefits from \$103.00 to \$146.00, effective March 2025.

The COLA increased the Appellant's monthly net SSI benefit from \$193.70 to \$198.30. The Appellant offered no dispute to the calculation of her SNAP benefits. The Appellant contends that the decrease in SNAP benefits which resulted from the COLA creates a financial burden on her household. The Appellant testified that the COLA has increased her shelter obligations and she does not have enough funds to purchase all of her supplies for the month.

Federal regulations require agencies to implement mass changes to reflect COLA in SNAP benefits for recipients of benefits from the Social Security Administration. Because the Appellant's reduction of benefits was the result of a federally mandated mass change, the decision of the Respondent to reduce the Appellant's SNAP benefits is affirmed.

CONCLUSIONS OF LAW

- 1) Federal regulations require that agencies establish procedures for making mass changes to reflect COLAs in benefits and any other mass changes under SSI.
- 2) Federal benefit COLAs are treated as any other change. Changes resulting in a decrease in benefits are effective the following month, if there is time to issue advance notice. If not, the change is effective two months after it occurs.
- 3) The Respondent initiated a mass change of SNAP benefits to recipients of federal benefits in January 2025, effective March 2025.
- 4) The Appellant receives federal SSI benefits and received a COLA; therefore, she was subject to the mass change of benefits.
- 5) The Appellant's COLA increase resulted in a decrease in SNAP benefits.

DECISION

It is the decision of the State Hearing Officer to uphold the decision of the Respondent to reduce the Appellant's SNAP benefits.

ENTERED this _____ day of March 2025.

Eric L. Phillips State Hearing Officer