WEST VIRGINIA OFFICE OF INSPECTOR GENERAL
BOARD OF REVIEW

[redacted]

Appellant,

v. **Action Numbers: 26-BOR-2546 & 26-BOR-2547**

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 [redacted] This hearing was held in accordance with the provisions found in Chapter 700 of the West Virginia Office of Inspector General Common Chapters Manual. This fair hearing was convened on September 9, 2026.

The matter before the Hearing Officer arises from the Respondent's calculation of the Appellant's Supplemental Nutrition Assistance Program (SNAP) benefits and the termination of Adult Medicaid benefits as outlined in a notice dated August 10, 2026.

At the hearing, the Respondent appeared by Carla Marsh, Economic Service Worker Senior, WV DoHS. The Appellant was self-represented. All witnesses were placed under oath and the following documents were admitted into evidence.

Department's Exhibits:

- D-1 Notice of Decision dated August 10, 2026
- D-2 MAGI Medicaid Income Budget information
- D-3 West Virginia Income Maintenance Manual Chapter 4.7 excerpts
- D-4 SNAP Budget information
- D-5 West Virginia Income Maintenance Manual Chapter 4.4 excerpts

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 is a recipient of Supplemental Nutrition Assistance Program (SNAP) benefits.

2) On August 10, 2026, the Respondent notified the Appellant that her SNAP allotment of $24 per month would remain the same (Exhibit D-1).

3) The Appellant was a recipient of Modified Adjusted Gross Income (MAGI) Adult Medicaid benefits and was notified on August 10, 2026, that her Medicaid benefits would be terminated due to excessive income (Exhibit D-1).

4) The Appellant is a one-person Assistance Group (AG) (Exhibits D-2 and D-4).

5) The Appellant receives gross Social Security Disability income of $1,997 per month (Exhibits D-2 and D-4).

6) The Appellant did not dispute the Respondent's SNAP or Medicaid income calculations.

APPLICABLE POLICY

West Virginia Income Maintenance Manual Chapter 4.4.2.B lists allowable deductions for SNAP benefits. These deductions include the earned income disregard of 20 percent, the Standard Deduction, the dependent care deduction, the child support deduction, the Homeless Shelter Standard Deduction, medical expenses for the elderly and/or disabled, shelter expenses, and the Standard Utility Allowance (SUA).

Code of Federal Regulations 7 CFR 273.9(d)(1)(i) addresses the Standard Deduction for SNAP benefits and states, in pertinent part:

> ***48 States, District of Columbia, Alaska, Hawaii, and the Virgin Islands.*** 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 paragraph (a)(2) 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.

West Virginia Income Maintenance Manual Chapter 4, Appendix B, states that the current Standard Deduction for a one-person SNAP Assistance Group is $209 per month.

Code of Federal Regulations 7 CFR 273.9(d)(6)(iii) addresses Standard Utility Allowances for SNAP purposes and states, in pertinent part:

> (A)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.

West Virginia Income Maintenance Manual Chapter 4.4.2.C.1 states:

> SUAs are fixed deductions that are adjusted yearly to allow for fluctuations in utility expenses. AGs with utility expenses for both occupied and unoccupied homes may only use the SUA for one home of his choice. These deductions are the Heating/Cooling Standard (HCS), the Non-Heating/Cooling Standard (NHCS), and the One Utility Standard (OUS). The current SUA amounts are found in Appendix B. AGs that are obligated to pay from their resources a utility expense that is billed separately from their shelter expenses are eligible for an SUA deduction. AGs that are not obligated to pay any utility expense are ineligible for the SUA, even if other residents pay utility expenses. Eligibility for the SUA must be evaluated at certification, redetermination, and when the AG reports a change in utilities that may affect its eligibility for a deduction.

West Virginia Income Maintenance Manual Chapter 4, Appendix B, states that the Heating/Cooling Standard Deduction is $518 per month.

West Virginia Income Maintenance Manual Chapter 4.4.2.B.6 states:

> Medical expenses in excess of $35 must be allowed as a medical deduction for AG members who are elderly, which is at least age 60, or disabled, as defined in Section 13.15. Once the medical expenses of all such AG members have been totaled, the amount of the total in excess of $35 is used as a medical deduction. Thirty-five dollars ($35) is deducted from the total amount of expenses for the AG, not $35 from each person's expenses. There is no maximum dollar limit for a medical deduction.

West Virginia Income Maintenance Manual Chapter 4.4.3.B describes how to compute countable income for SNAP purposes.

> Step 1: Combine monthly gross countable earnings and monthly gross profit from self-employment.
> Step 2: Deduct 20% of Step 1.
> Step 3: Add the gross countable unearned income, including the WV WORKS benefit and any amount reduced or being repaid to WV WORKS due to failure to comply with a program requirement. See Section 4.4.4.

> Step 4: Subtract the Standard Deduction found in Appendix B.
> Step 5: Subtract allowable dependent care expenses.
> Step 6: Subtract the amount of legally obligated child support actually paid.
> Step 7: Subtract the Homeless Shelter Standard Deduction found in Appendix B.
> Step 8: Subtract allowable medical expenses in excess of $35.
> Step 9: Calculate 50% of the remaining income and compare it to the actual monthly shelter/SUA amount.
> Step 10: If the shelter and Standard Utility Allowance is greater than Step 9 and at least one person is elderly or disabled, the amount in excess of 50% is deducted, without regard to the shelter/utility cap, in Appendix B to arrive at countable income.
> Step 11: Compare the countable income to the maximum net income in Appendix A for the AG size. This net income test does not apply to Categorically Eligible AGs. See Chapter 1.

West Virginia Income Maintenance Manual Chapter 4.4.3.C states that to determine the SNAP allotment, find the countable income and the maximum benefit allotment for the AG in Appendix A. To determine the benefit allotment, multiply net income by 30% (round up) then subtract 30% of net income as calculated above from the maximum monthly benefit for the AG size. Chapter 4, Appendix A, states that the maximum monthly SNAP allotment for a one-person Assistance Group is $298 per month. One- and two-person AGs who meet the gross and net income test or who are categorically eligible, as defined in Section 1.4.17.C automatically receive the minimum SNAP benefit, unless it is a prorated benefit.

West Virginia Income Maintenance Manual Chapter 1.4.17.C addresses categorical eligibility for SNAP benefits and states that when an AG has at least one member who is authorized to receive benefits from TANF-funded programs or is authorized to receive information and referral services about TANF and other department programs, the AG is categorically eligible. Authorized to receive means the AG is coded in the eligibility system as active for a benefit whether they are receiving it or not. Those authorized to receive include individuals who have been determined eligible for benefits and notified of the determination, even if benefits have not been received or accessed or the benefits have been suspended, recouped or not paid because they are less than a minimum amount or they have not yet received the information or referral. AGs with income at or below 200% are authorized to receive information and referral services.

A U.S. Department of Agriculture Food and Nutrition Service Memorandum dated August 14, 2025, addresses 2026 Cost-of-Living Adjustments for the Supplemental Nutrition Assistance Program. This memo states that the minimum SNAP allotment for 48 states (but not Alaska and Hawaii) and Washington D.C. increased to $24 per month effective October 1, 2025.

West Virginia Income Maintenance Manual Chapter 23.10.4 states the following regarding MAGI Adult Medicaid**:**

> As a result of the Affordable Care Act (ACA), the Adult Group was created, effective January 1, 2014. Eligibility for this group is determined using MAGI methodologies established in Section 4.7. Medicaid coverage in the Adult Group is provided to individuals who are aged 19 or older and under age 65.

To be eligible for the Adult Group, income must be equal to or below 133% of the Federal Poverty Level (FPL).

West Virginia Income Maintenance Manual Chapter 4.7.2 states:

MAGI-based income includes:

- Adjusted gross income (taxable income less deductions/adjustments), excluding:
  - Certain taxable American Indian/Alaska Native income
  - Taxable scholarships/awards used for educational purposes
- Non-taxable Social Security benefits
- Tax-exempt interest
- Foreign earned income

To calculate the MAGI, determine the adjusted gross income amount for each member of the MAGI household whose income will count, for the current month. The MAGI differs from the adjusted gross income, because MAGI accounts for additions and adjustments. The Worker uses the budgeting method established in Section 4.6.1, Budgeting Method, to anticipate future income amounts, consider past income sources, and build monthly income amounts based upon the applicant's reported income.

West Virginia Income Maintenance Manual Chapter 4.7.2.B states:

After the income has been determined in Step 1, determine if any adjustments/deductions are applicable and subtract them from the income determined in Step 1. The Worker must incorporate allowable deductions (also known as adjustments) in the calculation of MAGI-based income. These adjustments/deductions can be found on page one of IRS form 1040…

The following items are subtracted from the individual's income:

- Educator expenses
- Certain business expenses of reservists, performing artists, and fee-basis government officials
- Health savings account deductions
- Moving expenses (Only for active duty members of the military who are ordered to move or change duty station).
- Deductible part of self-employment tax
- Self-employed Simplified Employee Pension (SEP), Savings Incentive Match Plan for Employees (SIMPLE), and qualified plans
- Self-employed health insurance deductions
- Penalty on early withdrawal of savings
- Alimony paid ONLY if the alimony agreements are finalized prior to January 2019. Any pre-existing agreements modified after December 31, 2018 are not deductible.
- IRA deductions

• Student loan interest deductions

West Virginia Income Maintenance Manual Chapter 4.7.3 states that the only allowable income disregard for MAGI Medicaid is an amount equivalent to five percentage points of 100% of the Federal Poverty Level (FPL) for the applicable MAGI household size. The 5% FPL disregard is not applied to every MAGI eligibility determination and should not be used to determine the MAGI coverage group for which an individual may be eligible. The 5% FPL disregard will be applied to the highest MAGI income limit for which an individual may be determined eligible.
West Virginia Income Maintenance Manual Chapter 4.7.4 states that the applicant's household income must be at or below the applicable MAGI standard for the MAGI coverage groups.

> Step 1: Determine the MAGI-based gross monthly income for each MAGI household income group (IG).
> Step 2: Convert the MAGI household's gross monthly income to a percentage of the FPL by dividing the current monthly income by 100% of the FPL for the household size. Convert the result to a percentage. If the result from Step 2 is equal to or less than the appropriate income limit, no disregard is necessary, and no further steps are required.
> Step 3: If the result from Step 2 is greater than the appropriate limit, apply the 5% FPL disregard by subtracting five percentage points from the converted monthly gross income to determine the household income.
> Step 4: After the 5% FPL income disregard has been applied, the remaining percent of FPL is the final figure that will be compared against the applicable modified adjusted gross income standard for the MAGI coverage groups.

West Virginia Income Maintenance Manual Chapter 4, Appendix A, states that the gross income limit for a one-person MAGI Medicaid Assistance Group is $1,769 per month (133% of the Federal Poverty Level).

DISCUSSION

Policy specifies the allowable deductions for SNAP benefits. These deductions include the earned income disregard of 20 percent, the Standard Deduction, the dependent care deduction, the child support deduction, the Homeless Shelter Standard Deduction, medical expenses for the elderly and/or disabled, shelter expenses, and the Standard Utility Allowance (SUA). To be eligible for Adult Medicaid benefits, income must be equal to or below 133% of the FPL for the Assistance Group size.

The Appellant did not dispute the amount of her monthly income or the Respondent's income calculations for SNAP and Medicaid purposes. However, she asked that she be considered for eligibility because of her special health conditions. The Appellant testified that she has a wheat allergy and that purchasing gluten-free food is very expensive, explaining that one loaf of gluten-free bread costs $7. The Appellant stated that $24 in SNAP benefits does not go far since the foods she requires are so costly.

The Respondent correctly counted the Appellant's gross SNAP income as $1,997 per month, The calculation with deductions is as follows: $1,997 - $209 (standard deduction) = $1,788 (net adjusted income). No excess shelter/utility cost deduction is allowed based on the Appellant's reported shelter and utility costs. The maximum SNAP allotment for a one-person Assistance Group is $298 - $536.40 (30 percent of net adjusted income) = 0. However, the Appellant is eligible for a $24 SNAP entitlement based on categorical eligibility regulations.

The Appellant testified that she has several medical conditions, including allergies, lipedema, and heart and neurological issues. The Appellant stated that she applied for medical coverage through the Federally Facilitated Marketplace and will have to meet a $2,200 per year deductible and certain co-pays under the coverage. She stated that $2,200 per year is a large portion of her annual income and hoped that she could qualify for Medicaid based on her circumstances.

Carla Marsh, Economic Service Worker Senior with the Respondent, testified that the Appellant started receiving Social Security benefits in the fall of 2025 and was no longer income-eligible for Adult Medicaid at that time. However, her Medicaid benefits remained open in error. Ms. Marsh stated that the Appellant could possibly qualify for SSI-Related Medicaid with a spenddown if she incurs significant medical expenses, and that the Appellant could receive a SNAP medical deduction if she begins incurring regular monthly medical expenses.

While the Appellant's circumstances are noted, she did not dispute the Respondent's income calculations for SNAP and Adult Medicaid benefits. The Board of Review lacks authority to change the income guidelines or make policy exceptions.

The Respondent's calculation of SNAP benefits is correct and its decision to terminate Medicaid benefits based on excessive income is affirmed in accordance with policy.

CONCLUSIONS OF LAW

1) The Appellant is categorically eligible for $24 per month in SNAP benefits based on her household's countable net adjusted income of $1,788.
2) To be eligible for MAGI Adult Medicaid benefits, gross income must be at or below 133% of the FPL for the household size.
3) The Appellant's countable income for Adult Medicaid purposes is $1,997 per month.
4) The income limit for a one-person MAGI Adult Medicaid household is $1,769 per month (133% of the FPL).
5) The Appellant is ineligible for MAGI Adult Medicaid benefits.

DECISION

It is the decision of the State Hearing Officer to **UPHOLD** the Respondent's calculation of the Appellant's SNAP allotment. It is the decision of the State Hearing Officer to **UPHOLD** the Respondent's action to terminate MAGI Adult Medicaid benefits.

ENTERED this 16th day of September 2026.

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Pamela L. Hinzman
State Hearing Officer