



November 20, 2024

[REDACTED]

RE: [REDACTED] v. WVDoHS
ACTION NOS.: 24-BOR-3484 & 24-BOR-3485

Dear [REDACTED]:

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 Health and Human Resources. 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,

Pamela L. Hinzman
State Hearing Officer
Member, State Board of Review

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

cc: Heather Perry, DoHS

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 and was a recipient of Modified Adjusted Gross Income (MAGI) Adult Medicaid benefits.
- 2) On October 1, 2024, the Appellant reported that her son moved out of her residence (Exhibit D-1).
- 3) The Appellant currently has a two-person household (the Appellant and her daughter).
- 4) As a result of the reduction in Assistance Group (AG) size, the Appellant's SNAP benefits decreased, and her Adult Medicaid benefits were terminated based on excessive income.
- 5) The Appellant was notified of the SNAP reduction and Medicaid closure in a Notice of Decision dated October 2, 2024. The SNAP reduction letter states that benefits would decrease from \$343 per month to \$22 per month effective October 2024. However, the minimum SNAP allotment is \$23.
- 6) The Appellant's household income includes her earned income of \$3,094.63 per month from PNG Hardware and child support arrears of \$192.11 (average arrears from July 2024 through September 2024) (Exhibit D-2).
- 7) The Appellant's total gross countable income for SNAP benefits is \$3,286.74 (Exhibit D-3).
- 8) The Appellant meets categorical eligibility requirements for SNAP purposes and household income is below 200% of the Federal Poverty Level (Exhibit D-3).
- 9) The Appellant gross countable income for MAGI Medicaid is \$3,094.63 as child support arrearages do not count as income for that program.

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 two-person SNAP Assistance Group is \$204 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. Income 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 \$504 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 addresses 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.

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 two-person Assistance Group is \$536.

West Virginia Income Maintenance Manual Chapter 4.4.4.A, Categorical Eligibility:

Although there is no gross or net income test, countable SNAP income for the purposes of determining level of benefit is calculated the same way it is for all other SNAP AGs. See Chapter 1 for Categorical Eligibility information.

West Virginia Income Maintenance Manual Chapter 1.14.17.C.1 states:

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. The following are TANF-funded programs:

- WV WORKS: Any month for which the AG is authorized to receive benefits.
- Employment Assistance Program (EAP): Any month for which the AG is authorized to receive benefits.
- Diversionary Cash Assistance (DCA): three months beginning with the month of approval.
- Support Service Payments: As long as actively enrolled in Work Programs (WP)
- School Clothing Allowance (SCA) and West Virginia School Clothing Allowance (WVSCA): Until the benefit expiration date.

Authorized for Information and Referral Services AGs with income at or below 200% are authorized to receive information and referral services. The DFA-SNAP-I&R-1 is mailed to the AG by the eligibility system to inform the client of potential programs or services available to him. The DFA-SNAP-I&R is paid for by TANF/MOE funds.

West Virginia Income Maintenance Manual Chapter 10, Appendix A, states that 200% of the FPL for a two-person Assistance Group is \$3,407 per month.

West Virginia Income Maintenance Manual Chapter 1.4.17.C.3 states:

Once it is determined that an AG qualifies for Categorical Eligibility, the following eligibility requirements are presumed to be met.

- Asset limit: The transfer of assets policy is applied as appropriate. See Chapter 5.
- Gross income limit, when applicable
- Net income limit
- Sponsored non-citizen information
- Residency
- SSN information: Only if the AG member is receiving a benefit which requires the SSN to be verified. If any of the presumed information is questionable, it is verified. All other eligibility requirements of the SNAP Program are applicable to categorically eligible AGs.

NOTE: While categorically eligible AGs are presumed to meet both income limits, those with more than two members are not automatically eligible for SNAP. The monthly net income of an AG must be eligible for an issuance based on IMM 4.4.3.C. Categorically eligible AGs containing one or two individuals automatically receive the minimum benefit, unless it is a prorated benefit.

U.S. Department of Agriculture Food and Nutrition Service Memorandum dated August 2, 2024, addresses 2025 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. is \$23 per month for a household size of one or two.

West Virginia Income Maintenance Manual Chapter 23.10.4 states the following in regard to 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 4.3.2 states that child support is excluded as a source of income for MAGI Medicaid purposes.

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 two-person MAGI Medicaid household is \$2,266 per month (133% of the Federal Poverty Level).

DISCUSSION

Policy specifies 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). SNAP Assistance Groups are determined as being categorically eligible for benefits when at least one member of the AG is authorized to receive benefits from TANF-funded programs or is authorized to receive information and referral services about TANF and other department programs, such as School Clothing Allowance. Authorized for Information and Referral Services AGs with income at or below 200% of the Federal Poverty Level are authorized to receive information and referral services. To be eligible for Adult Medicaid benefits, income must be equal to or below 133% of the FPL for the Assistance Group size.

The Respondent's representative, Economic Services Supervisor Heather Perry, contended that the Appellant's SNAP benefits decreased based on her changed household circumstances. The Appellant's son left the household, reducing her SNAP Assistance Group from three to two members. The Appellant's Adult Medicaid benefits closed because her gross countable income exceeds 133% of the FPL for a two-person household.

The Appellant did not dispute the Respondent's calculation of her income. However, she questioned why child support arrearages are counted when she never received retroactive SNAP benefits for times when child support was not received. Ms. Perry responded that the Appellant's SNAP benefits were periodically reviewed over the years and income is updated at the time of redetermination. The Appellant testified that her wages have been garnished for the payment of hospital bills and that she pays almost \$300 per month toward the garnishment. Ms. Perry indicated that policy does not allow for a SNAP deduction for medical payments unless an individual is elderly or disabled. The Appellant questioned why employed individuals receive less benefits from the Department than people who do not work. She testified that she works overtime and still must choose between paying for medical care and feeding her daughter. Although the Appellant's concerns with the Department's regulations are noted, the Board of Review lacks the authority to change income maintenance policy.

The Respondent correctly calculated the Appellant's SNAP benefits at \$23 per month as her income is below 200% of the FPL and her Assistance Group is categorically eligible for the minimum SNAP benefit. The Respondent correctly terminated the Appellant's MAGI Adult Medicaid benefits because her income exceeds \$2,266 (133% of the FPL for a two-person household).

CONCLUSIONS OF LAW

- 1) SNAP Assistance Groups that are determined categorically eligible for the minimum monthly SNAP benefit must have income at or below 200% of the Federal Poverty Level for the Assistance Group size.

- 2) The Appellant's Assistance Group is categorically eligible for SNAP benefits and has gross countable income of \$3,286.74 per month.
- 3) The gross income limit for a two-person SNAP household at 200% of the FPL is \$3,407 per month.
- 4) The Appellant is eligible for the minimum SNAP benefit of \$23 per month.
- 5) To be eligible for MAGI Adult Medicaid benefits, gross income must be at or below 133% of the FPL for the household size.
- 6) The Appellant's countable income for Adult Medicaid purposes is \$3,094.63.
- 7) The income limit for a two-person Adult Medicaid household is \$2,266 (133% of the FPL).
- 8) The Appellant's income is excessive for MAGI Adult Medicaid benefits.

DECISION

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

ENTERED this 20th day of November 2024.

**Pamela L. Hinzman
State Hearing Officer**