STATE OF RHODE ISLAND EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

(Appellant) DOCKET NO: 24-1211

V.

DEPARTMENT OF HUMAN SERVICES (DHS or the Department)

DECISION

I. <u>JURISDICTION</u>

The Executive Office of Health and Human Services ("EOHHS") is designated by R.I. Gen. Laws § 42-7.2-6.1(2) to be the entity responsible for legal service functions, including appeals and hearings, law interpretation and related duties of itself and four agencies; one of which DHS. Hearings are held in accordance with the Administrative Procedures Act (R.I. Gen. Laws § 42-35.1 et. seq.).

II. <u>INTRODUCTION</u>

The Appellant initiated this matter to the Executive Hearing Office ("EHO") to dispute adverse agency actions regarding Supplement Nutrition Assistance Program ("SNAP") and Health Coverage benefits. A telephonic hearing on the above-entitled matter was conducted on September 11, 2024. For the reasons discussed in this decision, the Appellant's appeal is granted in part and denied in part.

III. ISSUES

The issue before this Appeals Officer was whether or not the Appellant's benefits were processed in accordance with regulations.

IV. STANDARD OF PROOF

It is well settled that in formal or informal adjudications modeled on the Federal Administrative Procedures Act, unless otherwise specified, a preponderance of the evidence is generally required to prevail. (2 Richard J. Pierce, Administrative Law Treaties § 10.7 (2002) & see Lyons v. Rhode Island Pub. Employees Council 94, 559 A.2d 130, 134 (R.I. 1989) (preponderance standard is the "normal" standard in civil cases)). This means that for each element to be proven, the factfinder must believe that the facts asserted by the proponent are more probably true than false. (Id.). When there is no direct evidence on a particular issue, a fair preponderance of the evidence may be supported by circumstantial evidence. (Narragansett Electric Co. vs. Carbone, 898 A.2d 87 (R.I. 2006)

V. PARTIES AND EXHIBITS

The Department was represented by Stephanie Santos, Eligibility Technician III. The Department submitted evidence that was marked as the following exhibits:

- Exhibit 1 EHO's Hearing Appointment Notice.
- Exhibit 2 The Appellant's Appeal Request Form.
- Exhibit 3 A printout from DHS's eligibility system of the Appellant's SNAP/Medicaid benefits.
- Exhibit 4 A printout regarding Medicaid eligibility.
- Exhibit 5 A Benefits Decision Notice ("BDN").
- Exhibit 6 A verification of employment letter the Appellant submitted to DHS from the

The Appellant appeared and testified on their own behalf. The Appellant submitted evidence that was marked as the following exhibits:

- Exhibit A Doctors letters.
- Exhibit B The Appellant's current paystubs.

VI. RELEVANT LAW/REGULATIONS

R.I. General Laws 40-6 designates DHS as the principal agency of the State responsible to administer SNAP. Federal Regulations are contained in 7 Code of Federal Regulations ("C.F.R.") Parts 271 through 282. SNAP benefits are processed by DHS based on the household's information and according to the rules and regulations that govern the program and are authorized by the Food and Nutrition Act of 2008 (as amended through Pub. Law 116-94). SNAP regulations in Rhode Island are conducted in accordance with Rhode Island Code of Regulations ("RICR") 218-RICR-20-00-1.

Per SNAP regulations, households that derive their annual income in a period of time shorter than one (1) year should have that income averaged over a twelve (12) month period, provided the income is not received on an hourly or piecework basis. This provision may include teachers and other school employees who are under a contract which is renewable on an annual basis. Such members are considered to receive compensation for an entire year even though pre-determined non-work periods are involved, or actual compensation is scheduled for payment during the work periods only. (218-RICR-20-00-1.4.6(A)).

Per 210-RICR-10-00-1.4(B) EOHHS has entered into a cooperative agreement with DHS that authorizes the Department to conduct certain eligibility functions. In accordance with 42 CFR 431.10(e)(3), DHS has agreed to carry out these functions in accordance with the Medicaid State Plan, the State's Section 1115 demonstration waiver, and the rules promulgated by EOHHS. Medicaid regulations in Rhode are conducted according to 210-RICR-30-00-1.

Per Medicaid rules, for new Medicaid applicants, the State must use a household's current monthly income and household size when evaluating eligibility. A prorated portion of reasonably predictable changes in income, if there is a basis for anticipating the changes, such as a signed contract for employment, a clear history of predictable fluctuations in income, or other indications of future changes in income may be considered in determining eligibility. Future changes in income and household size must be verified. (210-RICR-30-00-5.5(B)(3)).

VII. FINDINGS OF FACTS

- 1. Per Exhibit 5, a BDN was issued on February 1, 2024, it stated as of March 1, 2024, the Appellant's application for Medicaid was denied due to excess income for a parent of a child and SNAP benefits as of March 1, 2024, were decreasing to \$52.00 per month.
- 2. The Appellant is between the ages of 19 and 64, as a parent/caretaker the Appellant's income must fall below 133% of the Federal Poverty Level to be Medicaid eligible or \$2,401.00 monthly.
- 3. DHS testified two biweekly paystubs in their electronic file that were submitted by the Appellant that totaled \$2,706.75, were used in the income calculation. The Appellant also has a MAGI deduction of \$126.18 monthly student loan interest.
- 4. The Appellant disagreed with the Agency decision and requested an appeal on February 14, 2024.
- 5. Per Exhibit 6, The Appellant is employed by the and works 7.25 hours per day, earns \$18.60 per hour and was hired to work 10 months of the year. The Appellant cannot collect unemployment benefits for the months not worked.

VIII. DISCUSSION

The Department maintained that SNAP and Health Coverage benefits were

Appellant were used to determine benefits. The Appellant is paid biweekly, therefore the two biweekly paystubs provided to the Agency by the Appellant were utilized to calculate and prorate benefits for the certification period. It is DHS's position that in the summer months when the Appellant does not have any income, benefits will be adjusted to reflect the income change.

The Appellant agreed that the paystubs provided did reflect the current income in January 2024. The Appellant did not agree that DHS used paystubs to calculate the income for the certification period, rather than basing the income on the employer letter provided. The Appellant argued that income is only received 10 months out of the year, and rather than DHS adjusting the income in the summer months the Appellant requested of DHS to total the annual income and annualize it to accommodate for the months when no income is received. The Appellant believed that then the monthly would fall below the program guidelines and the Appellant would be eligible for benefits.

Per SNAP regulations, households that derive their annual income in a period shorter than one (1) year should have that income averaged over a twelve (12) month period, provided the income is not received on an hourly or piecework basis. The letter from the Appellant's employer clearly stated the Appellant's receives an hourly wage, therefore according to SNAP policy the Appellant's income cannot be averaged.

Per Medicaid rules, when there are predictable changes in income, a clear history of predictable fluctuations in income or other indications of future change may be considered in determining eligibility. As the employer letter on file clearly defines the fluctuation in the Appellant's income, therefore, when calculating Medicaid benefits, the employer letter should be

used and the annual income prorated over 10 months when determining eligibility, not the current paystubs.

IX. CONCLUSION OF LAW

After review of the Administrative record, this Appeals Officer concluded:

The evidence did support that per 218-RICR-20-00-1.4.6(A) employment paid on an hourly basis should is not annualized, therefore the Department processed the Appellant's SNAP benefits in accordance with regulations.

The evidence did not support that the Department processed the Appellant's Health Coverage benefits in accordance with 210-RICR-30-00-5.5(B)(3) which states that for Medicaid, future changes in income may be considered in determining eligibility.

X. DECISION

Based on the foregoing Findings of Facts, Conclusion of Law, and testimony it is the order of this Appeals Officer that this appeal is denied in part and granted in part:

The Agency's actions and decision in this matter regarding SNAP benefits is final; the SNAP appeal is denied.

As the Agency's actions and decision in this matter regarding Health Coverage were not in accordance with regulations, therefore, the Health Coverage appeal is granted.

DHS shall update the Appellant's income for Health Coverage and apply the income earned in the 10 months worked as an annual figure, DHS will have 30 days to complete these actions.

/s/Holly Young | Appeals Officer | Executive Office of Health and Human Services

NOTICE OF APPELLANT RIGHTS

This Final Order constitutes a final order of the Departments of Human Services pursuant to the RI General Laws §42-15-12. Pursuant to RI General Laws §43.35.15, a final order may be appealed to the Superior Court Sitting in and for the County of Providence within thirty (30) days of the mailing date of this decision. Such appeal, if taken, must be completed by filing a petition for review in Superior Court. The filing of the complaint does not itself stay enforcement of this order. The Agency may grant, or the reviewing court may order, a stay upon the appropriate terms.

CERTIFICATION

I hereby certify that I mailed, via regular mail, postage prepaid, a true copy of the foregoing to			
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			epresentatives of the
DHS Appeals Unit and the DHS policy unit_	24th	_day of <u>Sep</u>	lember,
2024		·	
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