STATE OF RHODE ISLAND EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

v. Department of Human Services (DHS)

DECISION

I. <u>INTRODUCTION</u>

The Appellant initiated this matter to the Executive Hearing Office ("EHO") on May 8, 2025, regarding a Benefits Decision Notice ("BDN") issued by DHS on April 21, 2025, that informed the Appellant that Supplemental Nutrition Assistance Program ("SNAP") benefits were ending on April 30, 2025. The Appellant sought to have DHS's decision overturned.

An Administrative hearing was conducted on the matter via Microsoft Teams on July 21, 2025, the Appellant declined the video option. For the reasons discussed in this decision, the Appellant's appeal is denied.

II. JURISDICTION

The Executive Office of Health and Human Services 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 is DHS. Hearings are held in accordance with the Administrative Procedures Act (R.I. Gen. Laws § 42-35.1 et. seq.).

III. ISSUES

The issue was whether or not the termination of the Appellant's SNAP benefit was 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. 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

DHS was represented by Eligibility Technician III Jesus Rafael Martinez, who submitted evidence marked as: Exhibit 1 BDN; Exhibit 2 paystubs; Exhibit 3 the Appellant's Social Security Administration Benefit Verification Letter and Exhibit 4 RI Bridges printouts. The Appellant appeared and testified on their own behalf. The appeal request submitted to EOIIIIS was marked as the Appellant's Exhibit A. The Administrative record contained the correspondence between the EHO and the Appellant.

VI. RELEVANT LAW/REGULATIONS

DHS administers SNAP according to the R.I. Gen. Laws §40-6 and in accordance with Rhode Island Code of Regulations ("RICR") 218-RICR-20-00-1. Federal SNAP regulations are contained in 7 Code of Federal Regulations ("CFR") Parts 271 through 282. SNAP benefits are processed by DHS based on the household's information and according to the rules that govern

the program as authorized by the Food and Nutrition Act of 2008 (as amended through Pub. Law 116-94).

The amount of SNAP benefits a household is eligible for is based on the US Department of Agriculture's ("USDA") Thrifty Food Plan, which is an estimate of how much it costs to buy food to prepare nutritious low-cost meals for one's household. This estimate changes every year to keep pace with food prices. USDA issues an annual memo that provides the SNAP fiscal year cost of living adjustments, maximum SNAP allotments and income eligibility standards and deductions. (website: SNAP FY 2025 Cost-of-Living Adjustments Food and Nutrition Service)

The income eligibility standards are based on the Federal income poverty levels ("FPL"). The gross income eligibility standard is 130% of the FPL, the net income standard is 100% of the FPL. Households without an elderly or disabled member must meet both the gross and net income eligibility standards. Households with an elderly or disabled member must meet only the net income eligibility standards. Households that are categorically eligible because they are recipients of RI Works cash assistance or Social Security Income do not have to meet either standard. (218-RICR-20-00-1.15(A)).

In calculating net monthly income, each income information entry is rounded to a whole dollar amount by rounding down for each income entry that ends in one through forty-ninc cents and rounding up for each income entry that ends in fifty through ninety-nine cents. Any cents in gross weekly earnings are rounded to the nearest dollar after converting the weekly figure to the monthly figure. However, shelter expenses and medical costs are not rounded until totaled. Whenever a full month's income is anticipated but is received on a weekly basis, it must be converted to a monthly amount by multiplying the average weekly income by 4.3333.

Households with an aged or disabled member, are entitled to an excess medical deduction. If the total medical expenses exceed \$35.00, deduct the Standard Medical Deduction of \$183.00. If the household has medical expenses that exceed \$218.00 and it elects to verify actual expenses, subtract that portion of medical expenses in excess of \$35.00. Such households also receive an excess shelter deduction for the monthly cost that exceeds 50% of the household's monthly income after all other applicable deductions.

SNAP calculations are made according to State Regulations 218-RICR-20-00-1.15(D). Similarly, the Federal SNAP counterpart 7 CFR 273.10(E) provides a clear outline of the process of assessing a household's eligibility and is a more comprehensive guide to determine net income. (A) Add the gross monthly income earned and the total monthly unearned income of all household members, minus income exclusions, to determine the household's total gross income. (B) Multiply the total gross monthly earned income by 20 percent and subtract that amount from the total gross income; or multiply the total gross monthly earned income by 80 percent and add that to the total monthly unearned income, minus income exclusions. (C) Subtract the standard deduction. (D) If the household is entitled to an excess medical deduction determine if total medical expenses exceed \$35. If so, subtract that portion which exceeds \$35. (E) Subtract any allowable monthly dependent care expenses. (F) Subtract any allowable monthly child support payments. (G) Subtract the homeless shelter deduction, if applicable.

To determine shelter costs and the final adjusted income: (H) Total the allowable shelter expenses to determine shelter costs. Subtract from total shelter costs 50 percent of the household's monthly income after all the above deductions have been subtracted. The remaining amount, if any, is the excess shelter cost. If there is no excess shelter cost, the net monthly income has been determined. If there is excess shelter cost, compute the shelter deduction. (I)

Subtract the excess shelter cost up to the maximum amount allowed for the area (unless the household is entitled to the full amount of its excess shelter expenses) from the household's monthly income after all other applicable deductions. Households not subject to a capped shelter expense shall have the full amount exceeding 50 percent of their net income subtracted. The household's net monthly income has been determined.

VII. <u>FINDINGS OF FACTS</u>

- DHS issued a BDN to the Appellant that informed benefits were ending on April
 30, 2025, as the adjusted income of the household exceeded SNAP standards.
 - 2. Legal basis on the notice was 218-RICR-20-00-1.15.
 - 3. DHS calculated the Appellant's monthly net income at \$4,488.00.
- 4. Per SNAP guidelines as set by the USDA from October 1, 2024, thru September 30, 2025, the monthly net income limit is 100% of the FPL, for a household of two it is \$1,704.
- 5. The Appellant is 65 years old and collects unearned income of \$2,685.00 of Retirement, Survivors and Disability Insurance ("RSDI") payments monthly.
 - 6. The print outs from DHS's eligibility system reflect the Appellant is employed at
- 7. Appellant's spouse is employed by Appellant.
- 8. monthly gross income \$2,829.67 based on the following paystubs: February 7, 2025, \$785.14; February 14, 2025, \$667.61; February 21, 2025, \$688.80 and February 28, 2025, \$688.12.
 - 9. The undisputed monthly housing expenses are \$1,815.00.

- 10. The household incurs a heating/and or cooling expense and the Standard Utility * Allowance ("SUA") of \$822.00 was applied.
 - 11. The Appellant has a Medicare Part B medical expense of \$185.00 per month.

VIII. <u>DISCUSSION</u>

DHS introduced evidence that upheld their position for the decision made. The Appellant submitted his RSDI award letter and paystubs to DHS. SNAP benefits were recalculated, the household failed the gross income limit and DHS terminated benefits. DHS admitted the earned income was entered into their eligibility system incorrectly in the Appellant's name and not the spouses name, but regardless of the error the outcome remained the same. DHS's position is that the household failed the gross income test; they testified that deductions do not apply in this matter as there is no net test of income.

The Appellant agreed with DHS's calculation of his household income and expenses.

The Appellant is not disputing that DHS terminated his benefits according to the SNAP rules, but he still wanted the calculations reviewed regardless. His dispute is with the SNAP rules and income guidelines. He testified that he does not have enough income after paying his bills to afford necessities and believes he should be eligible for SNAP based on those calculations. The hearing process was explained to the Appellant in the pre-hearing conference. Therefore, he was aware this proceeding is to determine if DHS took the actions to his benefits according to SNAP rules based on the evidence that was presented.

Per SNAP policy as the Appellant is both elderly and disabled, this household only needs to meet the net income eligibility standard of 100% of the FPL. DHS's testimony did not align with SNAP policy. The evidence they presented did support that the both the gross and net income tests were performed, and the household failed both tests. Therefore, the policy was

applied correctly when DHS processed the benefit termination. The remaining issue is whether or the not calculations were performed correctly.

DHS's calculation of the net monthly income was reviewed according to 7 CFR

273.10(E) as outlined above: (A) four weekly paychecks were averaged at \$707.50 and then converted to the monthly gross of \$3,065.00 which was added to the Appellant's gross monthly unearned income of \$2,685.00. As there are no income exclusions, the total adjusted household income is \$5,750.00. (B) gross monthly earned income of \$3,065.00 when multiped by 20% for the earned income disregard of \$613.00, this subtracted from the adjusted income of \$5,750.00. for a new adjusted income total of \$5.137.00. (C) The standard deduction of 8.31% of the FPL, which per USDA memo, for households with 2 members is \$204.00, when subtracted from the adjusted income of \$4,933.00. (D) The Appellant's Medicare expense is greater than \$35.00 and less than \$218.00, the standard medical deduction of \$183.00 when subtracted from the adjusted income \$4,933.00, puts the Appellant's adjusted income at \$4,750.00.

The next three steps were skipped: (E) as there are no monthly dependent care expenses, (F) as no legal child support obligations exist and (G) as the homeless shelter deduction does not apply to this household. (H) The Appellant's housing expenses of \$1,815.43 plus the SUA of \$822.00 for a total shelter cost of \$2,637.00. (I) The total shelter costs of \$2,637.00 then subtracted from 50% of the households adjusted net income of \$2,375.00 determines the excess shelter cost of \$262.00. After subtracting the excess shelter cost from the adjusted income of \$4,750.00, the final adjusted net income is \$4,488.00. These calculations match those presented in DHS's evidence and therefore DHS did correctly apply deductions, allowances and disregards in the determination of the Appellant's household net income according to SNAP policy.

X. CONCLUSION OF LAW

After review of the Administrative record, I conclude the following reasons for the decision rendered:

Per 218-RICR-20-00-1.15(A)(2) households that contain an elderly or disabled member must meet the net adjusted income eligibility standards to be eligible for SNAP benefits.

Per 218-RICR-20-00.1.15(A)(9) the net adjusted income eligibility standard is 100 % of the FPL, currently \$1,708.00 monthly for a household of two members.

The Appellant's household montbly net adjusted income of \$4,488.00 is more than the income standard and therefore the household is ineligible for SNAP benefits.

X. DECISION

Based on the foregoing findings of fact, conclusion of law, evidence and testimony there is sufficient evidence to support that the termination of the Appellant's SNAP benefits was processed in accordance with regulations.

It is ordered that DHS's decision in this matter is final and this appeal is defied.

/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

<u> </u>
I hereby certify that I mailed, via regular mail, postage prepaid, a true copy of the foregoing to
and via email to;
copies were sent electronically to representatives of the DHS policy unit, the DHS Appeals Unit,
Kristen Cornford and Jesus Rafael Martinez, on this 29th day of
July , <u>2025</u> .
Carter.