STATE OF VERMONT

HUMAN SERVICES BOARD

In re) Fair Hearing No. 14,920

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Appeal of)

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INTRODUCTION

The petitioner appeals the decision by the Department of Social Welfare terminating his Food Stamps based on excess gross income and finding him ineligible for Medicaid until he incurs $2,628 in medical expenses in the six month period beginning March 13, 1997.

FINDINGS OF FACT

The petitioner is a single man without dependents. Prior to March, 1997, the petitioner's only cash income was GA. Based on that he received Food Stamps of $120 a month and Medicaid.

On February 28, 1997, the petitioner was found eligible for Social Security disability payments of $1,199 a month. This placed the petitioner over the Food Stamp gross income maximum of $1,065 (see infra).

The Department calculated the petitioner's income for Medicaid by deducting a $20 disability deduction from his total income for a countable figure of $1,179 per month. That figure was compared to a monthly protected income level for one person of $741 per month. The difference of $438 multiplied by the six month accounting period resulted in a total spenddown (the amount the petitioner must incur for medical expenses) of $2,628 before Medicaid eligibility can be re-established.

The petitioner has considerable ongoing medical expenses and is in the process of trying to find an apartment. It was explained to him at the hearing that if he has spent all his income in any month and is facing an emergency medical need, he might still be eligible for GA, and should apply for those benefits if the need arises. It was also explained to him that he should keep careful track of his medical expenses and promptly inform the Department as soon as he incurs $2,628.

ORDER

The decision of the Department is affirmed.

REASONS

Under the Food Stamp regulations, the maximum gross income for a household of one person is $839. F.S.M. § 273.9(a)(1) and Procedures Manual § P-2590 C. Unfortunately for the petitioner, under the above regulation there are no allowable deductions in applying the gross income test.

Under the Medicaid regulations, at § M242(1), the full amount of Social Security income must also be counted in determining eligibility for that program. Certain deductions, primarily for child support or work expenses, are allowed in order to obtain a net countable income figure, including a $20 blanket disregard from unearned income for aged, blind or disabled persons. Id § M243.1(2). No deductions are allowed for household expenses.

In this case, the Department followed the applicable regulations to calculate the petitioner's countable income of $1,179 per month. He received the $20 disability disregard and has shown no facts under which any other disregards can be applied. Under the procedures adopted by the Department, a single person cannot be eligible unless his countable income is $741 per month or less. Procedures Manual § P2420-B.

However, under § M402 of the regulations, "a person who passes all eligibility tests, except that his or her Medicaid group's monthly income is more than any other income tests for which he/she may be eligible" may qualify if he can "show that his or her Medicaid group has paid or incurred medical expenses...at least equal to the difference between its countable income and its Protected Income Level." A six month accounting period is employed to make this determination. Id § M414. Based on the petitioner's income, the Department determined that the petitioner has to incur $2,628 before he can be Medicaid eligible.

As the methodology employed by the Department was consistent with its regulations and procedures under both programs, its decisions must be upheld. 3 V.S.A. § 3091(d) and Fair Hearing Rule 17.

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