

STATE OF VERMONT

HUMAN SERVICES BOARD

In re) Fair Hearing No. 17,910
)
Appeal of)

INTRODUCTION

The petitioner appeals a decision of the Department of Prevention, Assistance, Transition, and Health Access (PATH) terminating her Medicaid and reducing her Food Stamp benefits. The issue is whether the petitioner's income is in excess of the program maximums.

FINDINGS OF FACT

1. The petitioner lives with her husband. She receives Social Security disability benefits of \$809 a month. After a period of unemployment with no income the petitioner's husband began receiving unemployment compensation in July 2002 of \$164 a week, or \$705 a month.

2. The Department recalculated the petitioner's eligibility for Medicaid and Food Stamps based on her Social Security and her husband's unemployment benefits. The petitioner does not dispute that their gross income as of July was \$1,514. The petitioner was sent a notice dated July 18, 2002 that her Medicaid benefits would end at the end of July

and that her Food Stamps would be reduced as of that date from \$248 to \$10 a month.

3. The petitioner does not dispute any of the figures used by the Department. For Medicaid, the Department allowed the petitioner a standard \$20 disregard from income and factored in the petitioner's monthly Medicare and Blue Cross/Blue Shield premiums (\$54 and \$122.17 respectively) in calculating her six-month spenddown of \$3,360.18 (see infra).

4. For Food Stamps there is no dispute that the Department allowed the petitioner all the deductions for which she qualifies, including deductions for medical care and excess shelter expenses. Previously, when her husband was unemployed, after her allowable deductions the petitioner was eligible for the maximum Food Stamps for a two-person household--\$248. Now that her husband has begun receiving unemployment compensation and their monthly income has almost doubled, they are eligible for only the minimum Food Stamp payment of \$10.

5. However, based on their income the petitioner was found eligible for VScript and her husband was found eligible for the Healthy Vermonters program. Unfortunately, it appears that the family's expenses, which include high pharmaceutical costs not covered by insurance, still exceed their income.

ORDER

The decision of the Department is affirmed.

REASONS

As noted above, the petitioner does not dispute the Department's calculations in determining her Food Stamp net income and eligibility amounts. See Food Stamp Manual § 273.9.

Under the Medicaid regulations, all unearned income is included as countable income for eligibility. W.A.M. § M350. After all allowable deductions (see supra), the petitioner's net income of \$1,318.03 a month is \$560.03 in excess of the program maximum (which is called the "protected income level" or "PIL") of \$758 for a household of two persons. This monthly excess income figure was then multiplied by six to obtain the petitioner's spenddown of \$3,360.18 for the present six-month period of eligibility.

As noted above, the petitioner's and her husband's gross income is \$1,514 a month. Under the VHAP programs there are no deductions from unearned income. Neither the petitioner nor her husband qualifies for regular VHAP, which has a

maximum income level of \$1,499.¹ However, because the petitioner is disabled she is eligible for VScript, which has a higher maximum income limit--\$1,749. Also, her husband (who is not disabled) is eligible for Healthy Vermonters, which has a limit of \$2,998. Unfortunately, there are no deductions under these programs for present or anticipated medical expenses.

As the Department's decisions are all in accord with its regulations, the Board is bound to uphold them. 3 V.S.A. 3091(d), Fair Hearing Rule 17.

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¹ Inasmuch as the petitioner and her husband are only \$15.00 under the VHAP maximum they may wish to consider voluntarily reducing their income by this amount in order to qualify for VHAP. The petitioner should consult with her caseworker to see if such a reduction in income would be advantageous to them in terms of becoming eligible for increased medical coverage.