

STATE OF VERMONT

HUMAN SERVICES BOARD

In re) Fair Hearing No. 19,786
)
Appeal of)

INTRODUCTION

The petitioner appeals a decision by the Department for Children and Families, Economic Services Division (DCF), to close his Reach Up Financial Assistance (RUFA) benefits based on excess income.

FINDINGS OF FACT

1. The petitioner is part of a five person family consisting of his girlfriend, their two children, and her child from a prior relationship. The family has been receiving RUFA benefits of \$861 per month.

2. At the beginning of June, 2005, the petitioner began working earning \$9.20 per hour in a job which was expected to require forty to forty-eight hours per week. Based on that information, DCF calculated that the petitioner would earn at least \$1,582.40 per month. DCF determined that after earned income deductions, the countable amount of income would be \$1,074.30. DCF further determined that the

countable amount was in excess of the maximum Reach Up eligibility figure for a family of five, \$861.55.

3. The petitioner was notified by letter dated June 7, 2005 that his RUFA benefits would end as of June 30, 2005 because his income was "above the limit" for the RUFA program. The family was notified that it would still be eligible for transitional Medicaid and for Food Stamps although the Food Stamps were decreased to reflect the earned income.

4. The petitioner agrees that his income has increased. In fact, it has increased even more since that time and he now earns \$2,022.72 per month based on more hours and an increased hourly rate.

5. The petitioner appealed because he does not see how he can live on his income alone and thinks that he should get some RUFA benefits. He talked about two children in diapers, a rent of \$700 and utilities to pay. He is the sole support of all five in the family.

ORDER

The decision of DCF is affirmed.

REASONS

In determining eligibility for RUFA benefits the regulations adopted by DCF disregard the first \$150 of earned income and 25 percent of the balance as a work incentive. W.A.M. § 2253.33. DCF is correct that the petitioner's disregard on his \$1,582.40 per month income is \$508.10 under this regulation. The regulations also require a comparison of the remaining countable income, \$1,074.30 in this case, to the maximum Reach Up benefit for a family of five which is \$861.55. W.A.M. § 2245. DCF is correct that the petitioner's countable income is in excess of that amount, making him ineligible for RUFA benefits. The Board is thus bound to uphold DCF's decision.

Few would argue with the petitioner's contention that his take home pay after tax deductions is insufficient to support a family of five. DCF recognizes that a family this size needs about \$1,730 per month in available income to cover basic needs but, by regulation, DCF only pays 49.6 percent of the needs of each family on RUFA benefits. W.A.M. § 2245.24. (Some of the shortfall is made up through Food Stamp benefits and, for some, subsidized housing.). Even with \$374 per month in Food Stamps, the petitioner is obviously hard-pressed to make ends meet. For all of his

effort, his total family income at the time he was cut off benefits was probably only a couple of hundred dollars more per month than the combined RUFA and Food Stamp benefits of \$1,357 he had been receiving. However, since he began working two months ago, the petitioner's earnings have increased by over \$400 per month and will likely increase further as he continues to work. Although it is no doubt difficult during this transition from RUFA to work, it should be obvious to the petitioner that continuing on this course will result in far more for his family than the \$1,357 he got when he was not working at all.

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