

DISTRICT OF COLUMBIA
OFFICE OF ADMINISTRATIVE HEARINGS
One Judiciary Square
441 4th Street, NW, Suite 450 North
Washington, DC 20001-2714
TEL: (202) 442-9094 - FAX: (202) 442-4789
EMAIL: oah.filing@dc.gov

<p style="text-align:center">[REDACTED] Petitioner,</p> <p style="text-align:center">v.</p> <p style="text-align:center">DISTRICT OF COLUMBIA DEPARTMENT OF HUMAN SERVICES, Respondent.</p>		<p style="text-align:right">Case No.: [REDACTED]</p>
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FINAL ORDER

I. Introduction

On July 24, 2018, Petitioner, [REDACTED], filed a Request for a Hearing to appeal decisions by Respondent, the Department of Human Services (DHS), concerning Supplemental Nutrition Assistance Program (SNAP) benefits. An evidentiary hearing was held October 12, 2018. Petitioner appeared and testified on her own behalf. Policy Analyst, [REDACTED] appeared and testified on behalf of DHS. I admitted into evidence Respondent's Exhibits 200 through 204.

Based on the evidence, including testimony, presented in this case, I find that DHS issued Petitioner a total SNAP overpayment of \$143 for the period beginning July 2018 through October 2018. Petitioner is responsible for paying the overpayment claim in accordance with DHS' claim-processing procedures.

II. Findings of Fact

Petitioner is the only person in her SNAP household and is disabled. Petitioner's only income in 2018 was \$1,590 per month in Social Security disability benefits. From July 2018 through October 2018, Petitioner paid \$716 per month for rent and \$590.56 per month in out-of-pocket medical expenses.¹

¹ RX 202.

Petitioner's SNAP benefits fluctuated significantly in July and August 2018, although her income and expenses remained the same. Specifically, Petitioner received the following SNAP benefit amounts for July through October 2018: \$30 in July (\$15 federal benefit plus \$15 local benefit, both received on July 7); \$369 in August (\$177 received on August 1 plus \$192 received on August 7); \$124 in September; and \$128 in October.²

Petitioner filed a hearing request with OAH on July 24, 2018 after receiving \$30 in SNAP benefits for July 2018.

III. Conclusions of Law

At issue here is the amount of SNAP benefits Petitioner should have received each month from July 2018 through October 2018, and whether the total amount Petitioner actually received for these months represents an overpayment or underpayment.³ The calculation of a household's monthly SNAP benefit is governed by rules of the United States Department of Agriculture (USDA) and is based on the household's income and a variety of possible deductions used to calculate a household's net income.⁴

I credit Petitioner's testimony that for the periods relevant to this matter, her total gross income was \$1,590 per month from Social Security disability benefits. Disability benefits are deemed "unearned income" and are includable in calculating gross income.⁵ Petitioner qualified for a standard deduction, an excess medical deduction, and an excess shelter deduction. The standard deduction is set by the USDA and was \$160 for fiscal year (FY) 2018.⁶

An excess medical deduction is allowed for medical expenses in excess of \$35 per month incurred by an elderly or disabled SNAP household member.⁷ DHS conceded at the evidentiary hearing that Petitioner qualified for an excess medical deduction of \$590.56 per month for all relevant months.

² RX 204.

³ Before the July 24, 2018 hearing request, Petitioner filed two hearing requests regarding DHS's determination of her SNAP benefits. During the most recent appeal (OAH Case No. 2018-DHS-00831) – filed in May 2018 – the parties resolved Petitioner's SNAP benefits through June 21, 2018. So, this case pertains to Ms. [REDACTED]'s SNAP benefits beginning July 2018, only.

⁴ 7 C.F.R. § 273.9.

⁵ 7 C.F.R. § 273.9(b)(2)(ii).

⁶ 7 C.F.R. § 273.9(d)(1)(iii); U.S. Dep't. of Agriculture, Supplemental Nutrition Assistance Program: FY 2018 Allotments and Deduction Information 1, <https://fns-prod.azureedge.net/sites/default/files/snap/FY18-Maximum-Allotments-Deductions.pdf>.

⁷ 7 C.F.R. § 273.9(d)(3).

An excess shelter deduction is allowed for shelter expenses that exceed 50% of the household's income after all other deductions are applied.⁸ Applicable shelter expenses included Petitioner's monthly rent of \$716 and the standard utility allowance (SUA).⁹ For FY 2018, the SUA for the District of Columbia was \$325.¹⁰ Petitioner's allowable shelter expenses, then, totaled \$1,041 (\$716 rent + \$325 SUA = \$1,041). A deduction is allowed for the amount by which the total of \$1,041 exceeds 50% of Petitioner's income after other deductions were applied, which equaled \$419.72 (\$1,590 gross income – \$160 standard deduction – \$590.56 excess medical deduction = \$839.44; 50% of \$839.44 equals \$419.72). So, Petitioner qualified for an excess shelter deduction of \$622 (\$1,041 shelter expenses – \$419.72 = \$621.28, which rounds up to \$622). The maximum shelter deduction limit did not apply since Petitioner is disabled.¹¹

For FY 2018, Petitioner qualified for total deductions in the amount of \$1,372.56 (\$160 standard deduction + \$590.56 excess medical deduction + \$622 excess shelter deduction = \$1,372.56). Subtracting the total deductions of \$1,372.56 from the gross income of \$1,590 resulted in a net income of \$217.44.

A household's monthly SNAP allotment equals the maximum SNAP allotment for the household size reduced by 30% of the household's net income.¹² The maximum SNAP allotment for a household of one is set by the USDA and was \$192 for FY 2018.¹³ So, 30% of Petitioner's net income of \$217.44 is \$65.23, which rounds up \$66; and \$192 reduced by \$66 is \$126. DHS should have issued Petitioner a monthly SNAP benefit amount of \$126 for each month from July through September 2018, the end of FY 2018.

⁸ 7 C.F.R. § 273.9(d)(6)(ii).

⁹ The District of Columbia sets the SUA each fiscal year and submits the adjusted amount annually for approval by the USDA. See 7 C.F.R. § 273.9(d)(6)(iii)(A), (B).

¹⁰ U.S. Dep't of Agriculture, Supplemental Nutrition Assistance Program: FY2018 Standard Utility Allowances by State 1, https://fns-prod.azureedge.net/sites/default/files/snap/2018_SUA_Table.pdf.

¹¹ 7 C.F.R. § 273.9(d)(6)(ii).

¹² 7 C.F.R. § 273.10(e)(2)(ii)(A).

¹³ 7 C.F.R. § 273.10(e)(4)(i); U.S. Dep't. of Agriculture, Supplemental Nutrition Assistance Program: FY 2018 Allotments and Deduction Information 1, <https://fns-prod.azureedge.net/sites/default/files/snap/FY18-Maximum-Allotments-Deductions.pdf>.

The calculation of Petitioner FY 2018 SNAP benefit amount is summarized as follows:

Gross Income

Gross Earned Income	\$0
Gross Unearned Income	<u>\$1,590</u>
Total Monthly Gross Income	\$1,590

Deductions

A) 20% of earned income	\$0	
B) Standard Deduction	\$160	
C) Excess Medical Deduction	\$590.56	
D) Dependent Care	\$0	
E) Child Support	<u>\$0</u>	
G) Subtotal	\$750.56	
H) Gross Income minus Line G		\$839.44
I) Excess Shelter Deduction		

**Deduction allowed on shelter expenses
that exceed ½ of Line H (\$419.72)**

Rent	\$716	
Standard Utility Allowance	\$325	
Other Allowable Shelter cost	<u>\$0</u>	
Total	\$1,041	
Minus ½ Line H	<u>\$419.72</u>	
	\$621.28	
Shelter Cost Deduction (rounded up)	<u>\$622</u>	
Line H (\$839.44) minus Shelter Cost Deduction		\$217.44
Total Net Monthly Income	\$217.44	

SNAP Allotment

Maximum Allotment for Household Size	\$192
Minus 30% of Net Income (rounded up):	<u>\$66</u>
Monthly Allotment	\$126

On October 1, 2018 (the start of FY 2019), the standard deduction increased to \$164 and the SUA increased to \$331.¹⁴ Applying the FY 2019 amounts results in a SNAP allotment of \$130 for the month of October 2018. The calculation is summarized as follows:

Gross Income

Gross Earned Income	\$0
Gross Unearned Income	<u>\$1,590</u>
Total Monthly Gross Income	\$1,590

Deductions

F) 20% of earned income	\$0	
G) Standard Deduction	\$164	
H) Excess Medical Deduction	\$590.56	
I) Dependent Care	\$0	
J) Child Support	<u>\$0</u>	
G) Subtotal	\$754.56	
H) Gross Income minus Line G		\$835.44
I) Excess Shelter Deduction		

Deduction allowed on shelter expenses that exceed ½ of Line H (\$417.72)

Rent	\$716	
Standard Utility Allowance	\$331	
Other Allowable Shelter cost	<u>\$0</u>	
Total	\$1,047	
Minus ½ Line H	<u>\$419.72</u>	
	\$629.28	
Shelter Cost Deduction (rounded up)	\$630	
Line H (\$835.44) minus Shelter Cost Deduction		\$205.44
Total Net Monthly Income	\$205.44	

SNAP Allotment

Maximum Allotment for Household Size	\$192
Minus 30% of Net Income (rounded up):	<u>\$62</u>
Monthly Allotment	\$130

¹⁴ U.S. Dep't of Agriculture, [SNAP – Fiscal Year 2019 Cost-of-Living Adjustments 4](https://fns-prod.azureedge.net/sites/default/files/resource-files/COLAMemoFY19.pdf) (July 27, 2018), <https://fns-prod.azureedge.net/sites/default/files/resource-files/COLAMemoFY19.pdf>; U.S. Dep't of Agriculture, [SNAP FY 2019 Standard Utility Allowances by State](https://www.fns.usda.gov/snap/eligibility/deduction/standard-utility-allowances), available at <https://www.fns.usda.gov/snap/eligibility/deduction/standard-utility-allowances>.

For the period beginning July 2018 through October 2018, the amount of SNAP benefits Petitioner received, the amount she should have received, and the total underpayment or overpayment for each month are as follows:

	<u>Amount Received</u>	<u>Amount Owed</u>	<u>Difference</u>
July 2018	\$30	\$126	Underpayment of \$96
August 2018	\$369	\$126	Overpayment of \$243
September 2018	\$124	\$126	Underpayment of \$2
October 2018	\$128	\$130	Underpayment of \$2

In total, Petitioner received a total SNAP overpayment of \$143 (\$243 overpayment in August minus \$100 total underpayments in July, September, and October).

The state agency responsible for administering SNAP “must establish and collect any [overpayment] claim,” even if the overpayment is the result of agency error.¹⁵ Each person who was an adult member of the SNAP household when the overpayment occurred is responsible for paying the claim.¹⁶ Here, DHS, the state agency responsible for administering SNAP in the District of Columbia, erred by issuing Petitioner a SNAP overpayment in the amount of \$143 for the period beginning July 2018 through October 2018. So, Petitioner, the only person in her SNAP household, is responsible for paying the overpayment claim in accordance with DHS’s claim-processing procedure.

IV. Order

Based on the above findings of fact, conclusions of law, and the entire record in this matter, it is this 3rd day of February, 2020:

ORDERED that Petitioner is responsible for paying an overpayment claim of \$143 for the period beginning July 2018 through October 2018, in accordance with DHS’s claim-processing procedure; it is further

¹⁵ 7 C.F.R. 273.18(a)(2), (b).

¹⁶ 7 C.F.R. 273.18(a)(4)(i).

ORDERED that, any party may ask for reconsideration or relief from this Order as described below; and it is further

ORDERED that, any party may appeal this Order by following the instructions below.

Wanda R. Tucker
Administrative Law Judge

After an administrative law judge has issued a Final Order, a party may ask the judge to change the Final Order and may ask the District of Columbia Court of Appeals to change the Final Order. There are important time limitations described below for doing so.

HOW TO REQUEST THE ADMINISTRATIVE LAW JUDGE TO CHANGE THE FINAL ORDER

Under certain limited circumstances and within certain time limits, a party may file a written request asking the administrative law judge to change a final order. OAH Rule 2828 explains the circumstances under which such a request may be made. Rule 2828 and other OAH rules are available at www.oah.dc.gov and at OAH's office.

A request to change a final order does not affect the party's obligation to comply with the final order and to pay any fine or penalty. If a request to change a final order is received at OAH **within 10 calendar days** of the date the Final Order was filed (**15 calendar days** if OAH mailed the final order to you), the period for filing an appeal with the District of Columbia Court of Appeals does not begin to run until the Administrative Law Judge rules on the request. **A request for a change in a final order will not be considered if it is received at OAH more than 120 calendar days of the date the Final Order was filed (125 calendar days if OAH mailed the Final Order to you).**

HOW TO APPEAL THE FINAL ORDER TO THE DISTRICT OF COLUMBIA COURT OF APPEALS

Pursuant to D.C. Official Code § 2-1831.16(c)-(e), any party suffering a legal wrong or adversely affected or aggrieved by this Order may seek judicial review by filing a Petition for Review and six copies with the District of Columbia Court of Appeals at the following address:

Clerk
District of Columbia Court of Appeals
430 E Street, NW, Room 115
Washington, DC 20001

The Petition for Review (and required copies) may be mailed or delivered to the Court of Appeals, and must be received there within 30 calendar days of the mailing date of this Order, pursuant to D.C. App. R. 15(a)(2). There is a \$100 fee for filing a Petition for Review. Persons who are unable to pay the filing fee may file a motion and affidavit to proceed without the payment of the fee when they file the Petition for Review. Information on petitions for review can be found in Title III of the Court of Appeals' Rules, which are available from the Clerk of the Court of Appeals, or at www.dcappeals.gov.