FOODSHARE WISCONSIN HANDBOOK

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For the HTML version, see http://www.emhandbooks.wi.gov/fsh/.

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1 GENERAL PROGRAM REQUIREMENTS

1.1 INTRODUCTION

1.1.1 General program introduction

7 CFR 273.1(a)

FoodShare Wisconsin helps individuals and families who have little money to buy the food they need for good health.

The US Department of Agriculture is responsible for setting the basic program rules so they are similar everywhere in the country. The Wisconsin Department of Health and Family Services administers the state's FoodShare Program. Government workers at county/tribal human or social service agencies (local agencies) determine eligibility for FoodShare benefits and are responsible for issuing benefits.

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1.1.2 FoodShare Benefits

FoodShare benefits are used to purchase food at grocery stores that participate in FoodShare Wisconsin.

FoodShare benefits are deposited in a participant's account using an Electronic Benefits Transfer (EBT) system, and are spent using a debit card called the Wisconsin QUEST Card. The Wisconsin QUEST card allows access to FoodShare benefits through point-of-sale or swipe card terminals at food stores. These transactions look like any other debit card transaction and are free to the cardholder.

FoodShare benefits can be used to buy foods such as:

- breads and cereals;
- fruits and vegetables;
- meats, fish and poultry;
- dairy products; and
- seeds and plants which produce food for the household to eat.

FoodShare benefits **cannot** be used to buy items such as:

- nonfood items, such as pet foods, soaps, paper products, and household supplies, grooming items, toothpaste, and cosmetics;
- beer, wine, liquor, cigarettes or tobacco;
- food that will be eaten in the store; or
- hot foods.

Click on the following link, if the customer has additional questions regarding specific food items. (Questionable food items)

If the participant eats at a group meal site for the elderly or has meals delivered to his/her home, he/she can use FoodShare benefits to pay for these meals if the facility or meal provider is authorized to accept the QUEST card.

FoodShare benefits can be used for group meals if the participant is staying in a drug and alcohol treatment center, a shelter for battered women, a shelter for the *homeless* or a group home for the disabled and the facility is authorized to accept the QUEST card.

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1.1.3 Who is Eligible

Individuals or families who use FoodShare Wisconsin include people of all ages who are employed but have low incomes, are living on small or fixed incomes, have lost their jobs, or have disabilities and cannot work.

An individual or family does not need to be eligible for, or apply for, *W-2* to qualify for FoodShare benefits.

U.S. citizens and certain citizens of other countries who live in the United States legally and permanently may qualify for FoodShare benefits.

People affected by natural disasters may be eligible for FoodShare benefits. If a natural disaster (flood, tornado, etc.) occurs, special procedures and a simplified application process are used to issue FoodShare benefits quickly to victims of the disaster.

FoodShare Wisconsin can replace food purchased with FoodShare benefits that were destroyed in a household misfortune or disaster.

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1.1.4 Eligibility Overview

This section gives the "big picture" of determining *FS* eligibility.

Non-Financial Eligibility
The application process begins with a person contacting a local agency to request FoodShare benefits. The local agency must determine if s/he is a resident of the county. The local agency must also determine if s/he is a boarder, foster person, or resident of an institution. Some people are not eligible for FS because their food needs are already met.

Food Unit
The food unit is everyone who purchases and prepares food with the primary person, and family members. There are some exceptions regarding who must be included in the food unit based on relationship rules.

Individual
To be eligible for FS, an individual must be a US citizen or qualifying alien. A social security number is needed for each person who is requesting FS benefits. A food unit member cannot belong to more than one food unit with a few exceptions.

Work Programs
Almost everyone age 18-59 must register for and participate in work programs. Some exceptions are full-time students and parents caring for young children.

FS Group
The FS group includes everyone who will receive FS benefits.

Unearned Income
Add the FS group's unearned income and any unearned income that is deemed from an ineligible member. Some types of unearned income include: *child* support, unemployment compensation, Social Security, and *W-2* payments.

Earned & Training Income
Add all the food unit’s gross earned income. Some types of earned income include: wages, tips, and self-employment income.

Room & Board Income
Calculate income the food unit receives from a boarder.

Gross Income Computation
Take the income determined from the previous units and see if the group passes the gross income test. Food units containing an elderly or disabled person do not have to pass the gross income test. Categorically eligible food groups also are not tested against gross income limits. If the mixed or standard group's income is greater than the gross income limit, the group is ineligible.

If the group is still eligible subtract the standard deduction, an earned income deduction (20% of the gross earned income), and a deduction for monthly medical expenses for elderly and disabled members.

Dependent Care
If a food unit member pays for child care or care for an *adult* food unit member, s/he may receive a deduction for each dependent. The care must be necessary for the food unit member to work or go to school.

Shelter & Utilities
Food units who pay shelter and utility costs may receive a shelter and utility deduction. The food group receives a Standard Utility Allowance based on the type(s) of utilities for which they are billed. Unless the food unit includes an elderly or disabled individual, a shelter deduction is allowed only if the total shelter expense exceeds half the income after all other deductions.

Income Test
FS groups that are not categorically eligible must pass the net income test based on net income limits and group size. Categorically eligible FS groups do not have to pass this test, however if net income exceeds the FS net income limit, FS groups of 3 or more people may not receive FS benefits. If the group's net income equals or is less than the limit, the group might be eligible for benefits.

Allotment
An allotment is the amount of FS an eligible group receives. The allotment is calculated by looking at FS group size and total net income. Prorate the initial allotment if the FS group applies after the first of the month.

Review Date
The local agency must review a FS group's eligibility within certain time frames. Most FS food units are certified for 12 months. Food units that include a *migrant* or seasonal farm worker, and food units who are *homeless* are certified for 6 months. These food units are subject to reduced change reporting policy.

Food units that include only elderly, blind or disabled individuals (*EBD*) with no reported earnings are certified for 12 months and must report most changes within 10 days.

Benefit Amounts
FoodShare benefit amounts are based on household size and monthly net income after deductions. The lower the net income, the more FoodShare benefits a household may receive. Only families with very little or no monthly net income will receive the maximum amount of FoodShare benefits.

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1.2 VERIFICATION

1.2.1 Verification Introduction

7 CFR 273.2(f)

1.2.1.1 General Verification Rules
1.2.1.2 Request for Verification
1.2.1.3 Responsibility for Verification

Verification is the use of documentary evidence or a collateral contact with a third party to confirm the accuracy of statements or information. The local agency must give food units at least 10 days to provide required verification.

1.2.1.1 General Verification Rules

The general Income Maintenance verification rules are as follows:

1. Only verify those items required to determine eligibility and benefits for the programs for which you are testing eligibility.
2. Do not verify an item that is not required to be verified and is not documented as questionable.
3. Avoid over-verification (requiring excessive pieces of evidence for any one item). If you have all the verification you need, do not continue to require added verification.
4. Do not verify information already verified unless you believe the information is fraudulent or differs from more recent information. If you suspect fraud exists, determine if you should make a referral for fraud or for front-end verification.
5. Do not exclusively require one particular type of verification when various types are adequate and available.
6. Verification need not be presented in person. Verification may be submitted by mail, fax, or through another electronic device, or through an authorized representative.

1.2.1.2 Request for Verification

7 CFR 273.2(c)(5)

Requests for verification MUST be made in writing. Verbal requests are not acceptable and will not stand up in a fair hearing. Workers are required to give the customer notice regarding required verification, when it is due to the agency, and the consequences of not verifying timely.

Note: Do not deny the *FS* group for failure to provide the required verification until the:

1. 11th day after requesting the verification, or
2. 31st day of the application or review processing period, whichever is later.

1.2.1.3 Responsibility for Verification

7 CFR 273.2(f)(5)

The applicant has primary responsibility for providing required verification and for resolving any discrepancies or questionable information. The local agency must assist the applicant in obtaining this verification providing the applicant has not refused to cooperate with the application process.

If all attempts to verify the information have been unsuccessful because the person or organization providing the information has failed to cooperate with the household and agency (for example, by charging a fee or refusing to complete a verification form), and all other sources of verification are unavailable , determine an amount to be used for certification purposes based on the best available information. Clearly document the attempts to obtain verification and the reasoning for the estimate that is used. Best available information may include; customer statement, oral or written.

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1.2.2 Sources For Verification

1.2.2.1 Documentary Evidence
1.2.2.2 Collateral Contacts
1.2.2.3 Home Visits
1.2.2.4 Discrepancies in Verification
1.2.2.5 Request for Contact
1.2.2.6 Case Documentation

7 CFR 273.2(f)(4)

Local agencies must use documentary evidence as the primary source of verification for all information except residence and household composition.

Although documentary evidence must be the primary source of verification, acceptable verification must not be limited to any single type of document and may be obtained from the applicant or other source. Whenever documentary evidence cannot be obtained or is insufficient to make a firm determination of eligibility or benefit level, the *ESS* may require collateral contacts or home visits. See the Suggested Verification Sources chart (1.2.6) for more details.

1.2.2.1 Documentary Evidence

7 CFR 273.2(f)(4)(i)

Documentary evidence consists of written confirmation of a household's circumstances. Examples of documentary evidence include wage stubs, rent receipts, and utility bills.

Applicants may provide documentary evidence to verify information in person, through the mail, by facsimile (FAX) or other electronic device, or though an authorized representative. Applicants must not be required to present verification in person at the FoodShare office. The local agency must accept any reasonable documentary evidence provided and must be primarily concerned with how adequately the verification proves the statements in the application.

1.2.2.2 Collateral Contacts

7 CFR 273.2(f)(4)(ii)

Collateral contacts consist of oral confirmations of circumstances by persons other than food unit members. A collateral contact may be made either in person or over the telephone.

The local agency, generally, must rely on the applicant to provide the name of any collateral contact. The applicant may request assistance in designating a collateral contact. The local agency is not required to use the collateral contact designated by the applicant if the collateral contact cannot be expected to provide accurate third-party verification.

When the collateral contact designated by the applicant is unacceptable, the local agency must either designate another collateral contact, ask the applicant to designate another collateral contact or to provide an alternative form of verification, or substitute a home visit. The local agency is responsible for obtaining verification from designated collateral contacts.

When talking with collateral contacts, local agency staff should disclose only the information that is absolutely necessary to get the information being sought. ESS should avoid disclosing that an individual has applied for *FS* , nor should they disclose any information supplied by the applicant or suggest that the applicant is suspected of any wrongdoing.

Clearly document the collateral contact information.

1.2.2.3 Home Visits

7 CFR 273.2(f)(4)(iii)

Home visits may be used as verification only when documentary evidence is insufficient to make a firm determination of eligibility or benefit level, or cannot be obtained. Home visits must be scheduled in advance with the applicant. Home visits are to be used on a case-by-case basis where documentation is insufficient. Simply because a household fits an error-prone profile does not constitute a lack of verification.

1.2.2.4 Discrepancies in Verification

7 CFR 273.2(f)(4)(iv)

When unverified information is received by the local agency from a source other than the food unit, the applicant must be given a reasonable opportunity to resolve the discrepancy prior to a determination of eligibility or benefits. If the unverified information is received through an IEVS data exchange regarding unreported sources of income or assets, the local agency may contact the source directly for verification.

When verification is received, or if the household fails to provide requested verification, the local agency must issue a notice notifying the applicant of the action that has been taken and providing the applicant with an opportunity to request a fair hearing prior to an adverse action.

Document clearly in case comments the reason for verification requests due to questionable information or discrepancies.

1.2.2.5 Request for Contact

7 CFR 273.12(c)(3)

The agency may receive unclear information about changes in a food unit's circumstances from which the agency cannot readily determine the effect of the change on the food unit's case. The agency may receive such unclear information from a third party or from the food unit itself. If there is not enough information reported to request specific verification, issue a request for contact notice to the food unit.

The request for contact notice advises the food unit that there has been unclear information reported and the need to contact the agency within 10 days. If there are other items that need to be verified, the notice will list those specific items. The notice will also state the consequences if they fail to respond. The food unit has 10 days to respond either by telephone or by other correspondence to clarify its circumstances. The burden of clarifying an issue is placed on the food unit. If the food unit does not respond to the request for contact, the agency must issue a notice of closure for loss of contact and close the FoodShare case. If the food unit does respond but refuses to provide sufficient information to clarify its

circumstances, the agency must also issue an appropriate notice to close the FoodShare case.

1.2.2.6 Case Documentation

7 CFR 273.2(f)(6)

Case files must include documentation to support eligibility, ineligibility, and benefit level determinations. Documentation must be in sufficient detail to permit a reviewer to determine the reasonableness and accuracy of the determination.

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1.2.3 nonfinancial verification

1.2.3.1 Identity Verification
1.2.3.2 Social Security Numbers Verification
1.2.3.3 Alien Eligibility Verification
1.2.3.4 Disability Verification
1.2.3.5 Residence Verification

1.2.3.1 Identity Verification

7 CFR 273.2(f)(1)(vii)

Verify the identity of the applicant. If the applicant uses an authorized representative verify the identities of both the authorized representative and the applicant. Identity is the only verification required to process expedited benefits.

Identity may be verified through readily available documentary evidence, or if this is unavailable, through a collateral contact. Any documents, which reasonably establish the applicant's identity, must be accepted, and no requirement for a specific type of document, such as a birth certificate or photo ID, may be imposed.

1.2.3.2 Social Security Numbers Verification

7 CFR 273.2(f)(1)(v)

Social Security Numbers, or proof that application has been made for a *SSN*, must be provided for all household members applying for *FS* , including newborns. Do not deny benefits pending issuance of a SSN if you have documented a SSN application was made. Failure to provide a SSN or proof of application for a SSN will result in denial of FS benefits for that individual.

Workers receive an alert when a SSN entered in *CARES* does not match the SSN verified by the Social Security System (WTPY). In such cases, verify if possible with a third party source and contact the Social Security Administration.

If the agency determines that a food unit member has refused to provide or apply for a SSN, that individual is ineligible to participate in FoodShare Wisconsin.

1.2.3.3 Alien Eligibility Verification

7 CFR 273.2(f)(1)(ii)

Verify the immigration (or alien) status (3.12.1) of applicant non-citizens. If a non-citizen does not want the agency to contact *INS* to verify his or her immigration status, the agency must give the applicant the option of withdrawing the application or participating without that member. An undocumented alien is ineligible until acceptable documentation is provided unless the local agency has submitted a request for verification and is awaiting a response from INS, *SSA* (verification of work quarters), or another federal agency.

Verify citizenship only when the person or group's statements about his/her citizenship are questionable. A claim of citizenship is questionable when:

1. The claim is inconsistent with statements made by the applicant.
2. The claim is inconsistent with information on the application or previous applications.
3. The claim is inconsistent with information received from another source.
4. The person does not have an SSN.

Do not discriminate on the basis of religion, race, ethnic background, political beliefs, or national origin when deciding if a claim is questionable. Do not target groups such as *migrant* farm workers or American Indians for verification. A surname, accent, or appearance that seems foreign is not enough reason to question citizenship.

In addition, if an alien is applying for benefits on behalf of another person you may, under federal law, only verify the status of the person who will actually be receiving the benefits.

1.2.3.4 Disability Verification

7 CFR 273.2(f)(1)(viii)

Verify the disability status of all household members applying for FS who are claiming to be disabled (3.8.1).

1.2.3.5 Residence Verification

7 CFR 273.2(f)(1)(vi)

Residence must be verified at the time of application and whenever a change in residence is reported. Do not require any specific type of verification.

An exception exists for *homeless* persons (3.2.1.3) and migrant farmworkers. Do not require residence verification for homeless persons or migrant assistance groups newly arrived in the area. Do not verify shelter and/or utilities (4.6.7) as part of residence verification. That is a separate verification requirement.

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1.2.4 financial verification

1.2.4.1 Gross Non-exempt Income Verification
1.2.4.2 Earned Income Verification
1.2.4.3 Self-Employment Income Verification
1.2.4.4 Asset Verification
1.2.4.5 Expense Verification
1.2.4.6 Dependent Care Expense Verification
1.2.4.7 Shelter and Utility Expense Verification
1.2.4.8 Medical Expense Verification
1.2.4.9 Child Support Payments Verification

1.2.4.1 Gross Non-exempt Income Verification

7 CFR 273.2(f)(1)(i)

Gross non-exempt income must be verified for all food unit members prior to certification. Verify income for all households through documentary evidence or collateral contact.

Documentary evidence is written confirmation of a household's circumstances; examples include wage statements or check stubs, rent receipts, utility bills, and employment verification forms. Although documentary evidence should be the primary source of verification, acceptable verification cannot be limited to only this type of source and may be obtained through the household or other sources. "Other sources" may include collateral contacts (1.2.2.2) which are oral confirmations of a household's circumstances by a person outside of the household.

1.2.4.2 Earned Income Verification

You may use income received during the last 30 days as an indicator of the income that is and will be available to the household during the certification period unless that income does not accurately reflect changes in income that have occurred or are anticipated to occur. You may also use statements from

employers to verify prospective income. If income fluctuates to the extent that a 30-day period alone cannot provide an accurate indication of anticipated income, the agency and the household may use a longer period of past time if it will provide a more accurate indication of anticipated fluctuations in future income. To average widely fluctuating income, use the household's anticipated income including fluctuations anticipated over the certification period. In any case, make every attempt to accurately verify prospective income and clearly document the reasoning for the prospective income estimate.

Example: If Joan worker receives an employment verification form completed by the employer that includes all necessary information to make a reasonable estimate of prospective income and the information is not questionable, she must not also require the client to submit check stubs.

The opposite also holds true. If the client submits all check stubs received in the most recent 30 days that include enough information to make a reasonable estimate of prospective income, and the information is not questionable, the *ESS* must not also require the client to submit a form completed by the employer.

If all attempts to verify the income have been unsuccessful because the person or organization providing the income has failed to cooperate with the household and agency (for example, by charging a fee or refusing to complete a verification form), and all other sources of verification are unavailable, determine an amount to be used for certification purposes based on the best available information. Clearly document the attempts to obtain verification and the reasoning for the estimate that is used. Best available information may include but is not limited to:

1. One or more check stubs from past pay periods (i.e. more than 30 days ago.
2. Customer statement (oral or written).

As in all cases, instruct the client to keep all statements and check stubs for future verification purposes.

1.2.4.3 Self-Employment Income Verification

Self-employment income is earned directly from one's own business - not as an employee with specified salary or wages. Self-employment income is verified with Self-Employment Income Reporting Forms (SEIRFs) and/or IRS tax forms.

1.2.4.4 Asset Verification

7 CFR 273.2(f)(2) and 7 CFR 273.2(f)(3)

Assets are not included as part of the *FS* eligibility determination and are not required to be verified since all FS applicants and recipients are authorized to receive a TANF-funded service. The amount of available liquid assets must be reported at the point of initial application to determine eligibility for priority service and expedited issuance (2.1.4) however the reported assets are not required to be verified.

1.2.4.5 Expense Verification

7 CFR 273.2(f)(3)

Verify expenses at application and when a change in the expense is reported. At review ensure that there is up-to-date documentation in the file to support current *CARES* entries.

1.2.4.6 Dependent Care Expense Verification

Verify reported dependent care expenses required for food unit members to keep or obtain employment, get training or education preparatory for employment, or comply with employment and training requirements. Convert verified expenses to monthly amounts.

1.2.4.7 Shelter and Utility Expense Verification

At application verify monthly expenses for food unit members to maintain occupancy of the current residence. At review verify monthly expenses if a change is reported or if the verification in the case file is questionable, be sure to document clearly why the verification is questionable. Some examples of these expenses are rent, mortgage, condo and association fees, property taxes, assessments, and homeowner's insurance and current rent statement, mortgage statement, lease agreement, etc. Current means the lease/rental agreement/mortgage etc. period includes the review month.

Verify utility expenses to determine if the food unit qualifies for a utility standard.

Homeless individuals can claim shelter and utility deductions for temporary living situations, if the expenses are verified.

1.2.4.8 Medical Expense Verification

7 CFR 273.2(f)(1)(iv)

Out of pocket medical expenses claimed by an elderly or disabled applicant for FS must be verified prior to initial certification in order for the expense to be allowed as a deduction. Do not allow a deduction if the expense is not verified.

However, anytime a medical expense is reported and verified, the deduction must be allowed. The following items must be verified: date of service, billing date, amount owed, and date amount is due.

Medical expenses are budgeted prospectively, so do not require eligible elderly, disabled, or blind household members to verify recurrent medical expenses monthly. Rely on estimates of recurring medical expenses during the certification period. Include changes that can be anticipated based on available information. Consider the group member's medical condition, public or private medical insurance coverage, and the current verified medical expenses incurred by the FS group member.

When converting medical expenses to monthly amounts, use the same calculation methods used for budgeting prospective income.

1.2.4.9 Child Support Payments Verification

7 CFR 273.2(f)(1)(xii)

The legal obligation of a food unit member claiming to pay *child* support to non-food unit members must be verified. Verify the amount of the obligation, and the monthly amount of child support actually paid.

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1.2.5 Questionable Items

7 CFR 273.2(f)(2)

Local agencies may request verification of other factors if information provided at application, review, or reported change is questionable, unclear, or incomplete and would have an affect on *FS* eligibility or benefit level.

Some examples of circumstances that may require further verification are:

1. Household Composition.
2. Claim of Separate Food Unit
3. Incapacitation for an *FSET* exemption.
4. School Enrollment
5. Household expenses exceed income
6. Other

If an agency receives conflicting information, verification must be requested to clarify the circumstances. For example, if household expenses exceed income,

obtain a written statement from the client on how they are paying expenses, or verify with the landlord how rent is being paid.

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1.2.6 Suggested Verification Sources

1.2.6.1 Required Verification to Determine Eligibility
1.2.6.2 Verify only if Questionable
1.2.6.3 Verify for a household to receive a deduction (not required for eligibility)

Below is a list of suggested verification sources, this list does not include every possible verification option. Accept any documents that reasonably meet the verification requirement; do not require a specific source of verification.

1.2.6.1 Required Verification to Determine Eligibility

Verification Item	Suggested Verification Sources
Alien Status	• SAVE • *INS* Alien Registration Card (Green Card) • Naturalization certificate • *SSA* query to verify work quarters
Residence	• Current rent receipt that must show address • Current mortgage receipt • Current lease agreement • Landlord inquiry • Current utility bill with address and responsible person's name • Check stub with current address • Driver's license • Home visit • Subsidized housing authority approval • Post office statement or collateral contact • Library card • Voter registration • Piece of mail received at claimed residence • Real estate tax statement or receipt • Weatherization program approval or denial • Renter or homeowner's insurance documents • School registration record • Letter from employer offering job • Telephone book • Motor vehicle registration

	• List of residents from a treatment center official, group home, etc. • Written statement from non-relative
Monthly Gross Income	<u>Earned Income:</u> • Dated check stubs for the previous 30 days with the employee's name or ID number • Earnings report or statement from employer • IEVS report or computer match from another state <u>Unearned Income:</u> • DWD UI query • Pension Statement • SSA's WTPY report • Current award letter • Current SSA or *SSI* check • Collateral contact with the employer, SSA, insurance company • IEVS report or computer match from another state <u>For Self-employment or Farm Income and expenses:</u> • Income tax return for the previous tax year • Self Employment Income Report Form(s) (*SEIRF*) • Bookkeeping records
Primary Person's ID	• Birth record query • Birth certificate • IEVS match • Baptismal certificate • Military service papers • Immigration or naturalization papers • Hospital birth record • Adoption record • Passport or US citizen ID card • Family bible • Paycheck • Driver's license • Completed SS-5 • Confirmation or church membership papers • Voter registration card • Family records (birthday books, genealogy, newspaper birth announcement, marriage license, support or divorce papers) • Employee ID card • Life insurance policy • School records (ID, report cards, diploma) • State/federal or Indian census records • Medical records (vaccination certificate, doctor's or clinic's records, bills) • Other social service program ID

	• Labor union or fraternal organization records • Court order of name change • Wage stubs • Voter's registration card
Disability / Blindness	• Statement or third party contact from VA disability benefits • Statement, check, or third party contact from Social Security Administration • Statement or collateral contact that proves a person receives a Railroad Retirement disability annuity and also qualifies for Medicaid • Statement that a person receives interim assistance benefits pending the receipt of SSI and SSDI • Statement or third party contact that proves that an individual receives GA and meets the SSA guidelines for a disability

1.2.6.2 Verify Only if Questionable

Verification Item	Suggested Verification Sources
SSN	• Social Security Card • Form 1610 (I-D) • Form SSA-5 • Form 2583 • Medicaid Card • Tax documentation (*W-2*, Tax return form, refund check) • Social Security Administration documents such as award/denial letter or SSA/SSI benefit check • WTSP (*CARES* screen DXSN) inquiry • EDS query
Age	• Birth certificate • IEVS match • Baptismal certificate • Military service papers • Immigration or naturalization papers • Hospital birth record • Adoption record • Passport or US citizen ID card • Driver's license • Family records (birthday books, genealogy, newspaper birth announcement, marriage license,

	support or divorce papers) • Life insurance policy • School records (ID, report cards, diploma) • State/federal or Indian census records
Relationship	• Birth record query • Birth certificate • Baptismal certificate • Military service papers • Immigration or naturalization papers • Hospital birth record • Adoption record • Family bible • Confirmation or church membership papers • Family records (birthday books, genealogy, newspaper birth announcement, marriage license, support or divorce papers) • Life insurance policy
Household Composition (*P&P*)	• Written or oral statement from a third party • Affidavit signed by applicant indicating food is purchased and prepared separately from other household members
School Enrollment Status	• Report card • Collateral contact with school authorities • Current school schedule

1.2.6.3 Verify for a household to receive a deduction (not required for eligibility)

Verification Item	Suggested Verification Sources
Dependent Care	• Written statement from provider • Cancelled check • Collateral contact with provider • Paid receipt or bill • Collateral contact with *child* care worker
Shelter / Utility Expense	• Mortgage payment records • Rent receipt • Statement from landlord • Lease • *HUD* subsidized housing approval • Property tax statement • Real estate agreement • Canceled check for rent or utility payment • Statement from person(s) with whom the group

	shares shelter costs • Utility bill • Utility budget amounts • Statement from utility company • Landlord inquiry • Deferred payment agreement • Firewood receipt • Telephone bill • Documented phone contact with landlord or utility • Statement or receipt from landlord for utilities paid by landlord • Insurance policy or billing statement • Statements from collateral contact
Medical Expenses	• Billing statement • Itemized receipts • Medicare card showing Part "B" coverage • Health insurance policy showing premium, coinsurance, co-payment, or deductible. • Medicine or pill bottle with price on label • Statement from pharmacy • Repayment agreement with provider • Statement from doctor verifying over-the-counter drug was prescribed • Bill for services of a visiting nurse, home-maker, home health aide • Lodging or transportation receipts, or both, for obtaining medical treatment or services • Bill or receipts for dog food or veterinarian services, or both, for a seeing eye or hearing dog. • Bill or receipt for purchase or rental of prescribed equipment or medical supplies, or both • *MA* case record for MA deductible
Legal Obligation to pay child support	• *KIDS* /CARES Interface • Court documentation
Child support paid out	• KIDS/CARES Interface • Court documentation

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2 APPLICATIONS AND REVIEWS

2.1 APPLICATIONS

2.1.1 Initial Certifications (Applications)

7 CFR 273.2(d)

2.1.1.1 Application Process
2.1.1.2 Application Forms
2.1.1.3 New Application Required Due to Break in Service
2.1.1.4 Setting the Filing Date
2.1.1.5 SSA Participation in FS Applications

A new application for FoodShare benefits is required whenever an individual or family makes a request for FoodShare benefits and:

1. they have not received FoodShare benefits in Wisconsin in the past, or
2. they have received FoodShare benefits, but a break in service has occurred.

2.1.1.1 Application Process

The FoodShare application process includes:

1. Submitting a name, address, and signature on an initial application registration form to set a filing date through *CARES* client registration or using the FoodShare Wisconsin Application Form (HCF 16019A or HCF 16019B),
2. Completing a face to face interview (2.1.4), unless a hardship situation is documented,
3. Verifying certain information (1.2.1), and
4. Confirming the *FS* eligibility determination in CARES (2.1.7).

The FoodShare Wisconsin Application HCF 16019A must be readily accessible to potentially eligible FS recipients who choose not to set a filing date the same day they are in the FS office.

Assistance must be provided to schedule the interview, provide an interpreter, provide access due to a disability, etc. if needed. Local agencies must encourage individuals to file an application registration for FS on the same day they express an interest in FoodShare or show concerns about food insecurity. Local agencies that discourage or attempt to divert households from applying for W2 cash assistance must clarify that the disadvantages and requirements for applying for W2 cash assistance do not apply to FoodShare. In this situation, the local agency shall also encourage the household to continue with the FS application.

When a person completes an application registration for FoodShare benefits, the application filing date must be documented by recording the date of receipt at the FoodShare office.

2.1.1.2 Application Forms

The application for FoodShare has been developed for use when the CARES system is unavailable. It can also be given to clients who request a paper application form and for *SSA* staff when they accept applications for households where all household members are applying for or receiving *SSI*. The form is found on the Eligibility Management web site at http://www.dhfs.state.wi.us/em/fsformslist.htm

For ease of distribution and use, the form has been printed in the following manner:

> FoodShare Wisconsin Registration Form - HCF 16019A includes the Registration Form and Important Information (Replaces DES-11605).
>
> FoodShare Wisconsin Application Form - HCF 16019B includes the Registration Form, Important Information (Part 1) and the Application form (Part 2). This replaces DES-2035 for FS applications.

Registration Form - This will be completed by the customer and used to set the initial application filing date for FoodShare. This portion of the form is designed to be separated from the other sections so that it can be mailed, faxed or handed in to the ESA to set the FS application filing date. This form also collects information to determine eligibility for priority services.

Additional Information Form - This section describes the applicant/recipient's rights and responsibilities. This portion of the form is designed to be separated from the Registration Form and/or the Application Form so that the customer can read and keep this information for his/her records.

Application Form - This section gathers the information necessary to determine FoodShare benefit eligibility. This portion is designed to be separated from the other sections so that it can be submitted to the ESA agency. Application and recertification interviews are required for FS, however this paper application form will serve as a back-up for the CARES generated *CAF*. Local agencies may also receive completed HFS-16019B applications from Social Security Agencies (SSA) when an application interview has been completed with SSI recipients at the SSA office.

2.1.1.3 New Application Required Due to Break in Service

A "break in service" occurs when the final day of the FS closure month has passed and FS have not reopened. Except in the situations listed below, a break

in service requires the person or group to reapply and complete the application process if they wish to receive benefits. This is considered to be a new application even if FS is closed for less than 30 days.

The only exceptions are if the break in service is caused by any of the following agency actions:

1. a client requests an appointment before the end of his or her certification period but no recertification appointment is available before the case closes,
2. the group contains a member who is a *migrant* (8.3.9)and received FS in the previous thirty days, or
3. the 10 days for clients to provide verification has not yet passed.

In such instances, the worker should document the reason for the late recertification and set the program request date for the first of the month so that there is no pro-ration of benefits.

Example 1: Sam requests an appointment to recertify his FS benefits on September 25th, his benefits end on September 30th. The first available appointment is October 3rd. Sam meets with the worker on October 3rd. Sam's worker sets the program request date for October 1st so the agency's delay does not cause a pro-rated FS amount. The worker documents in case comments the reason for the late certification.

Example 2: A case closes 12/31 for failure to verify information. On 01/01/04, they turn in the verification. This is a break in service and the group must file a new application.

2.1.1.4 Setting the Filing Date

In situations where a new application is required, the filing date is set when the agency receives **one** of the following:

1. a client registration is completed and a signed *RFA* is submitted; **or**
2. a signed 1-page application registration form (HCF 16019A); **or**
3. a completed, signed CAF generated from CARES; **or**
4. a completed, signed FoodShare Wisconsin Application Form (HCF 16019B).

Example: A FS case has been open since March. The 12-month review was due by February 28. The client did not show for the scheduled review appointment. It is now March 3 and s/he is calling to request a review appointment. In this scenario, the client would need to reapply for FS and benefits would be pro-rated from the date a signed application registration form is received either from client registration in CARES or HCF 16019A. This case would also require an evaluation for expedited services (2.1.4).

The FS Application Registration form is used when an applicant comes into the agency, requests FS, but cannot stay to complete Client Registration in CARES because of their schedule or because there is not sufficient time or personnel to complete Client Registration before the office closes to the public. Mail (if applicant calls) or hand the form to the applicant. The date this signed FS Application Registration form is received in the agency is the filing date.

This procedure was set up to ensure customers have the opportunity to set a filing date the first day they contact the agency. In some instances, the customer may request to take this form or a FS Application with them. These materials should be made available for the customer to take. However, it is important for the agency representative to explain that:

1. The filing date cannot be set until the agency receives a signed application or application registration form. These may be paper HCF 16019A or HCF 16019B, generated from CARES.
2. Although a priority service (2.1.4) determination is not required until the signed application registration form is received, when screening a potential applicant over the phone, information regarding the need for priority service may be gathered in order to schedule an interview appointment during the phone conversation. The filing date cannot be set without a signature, however a request for assistance can be documented and the application registration form can be mailed to the potential applicant along with an appointment notice.

2.1.1.4.1 Verbal Requests for FoodShare Benefits

VERBAL REQUESTS FOR FOODSHARE BENEFITS ARE NOT VALID
Although verbal requests for FoodShare benefits are not valid, local agencies must encourage individuals to file an application or set a filing date for FS on the same day they express an interest in FoodShare Wisconsin or concerns about food insecurity.

Local agencies that discourage or attempt to divert households from applying for W2 cash assistance must clarify that the disadvantages and requirements for applying for W2 cash assistance do not apply to FoodShare benefits. In this situation, the local agency shall also encourage the household to continue with the FS application.

2.1.1.4.2 Faxed Application Registrations

7 CFR 273.2(c)(1)

Local FS agencies should accept faxed application registrations to initiate the application process and set the filing date. No benefits should be issued, or any

final determination of a household's eligibility be made until an interview is completed and an application with an original signature is received by the FoodShare office. Faxed application registrations received on weekends, holidays or after hours should be considered received on the first working day following receipt of the application registration.

2.1.1.4.3 Application Registrations at the Wrong Agency

7 CFR 273.2(c)(2)(ii)

If a person calls or comes into the wrong agency (county or tribal office) to apply for FS, the agency's minimum duty is to:

1. Inform the person they are in the wrong office,
2. Give the person the address and telephone number of the appropriate county or tribal office, and
3. Explain the fact that their filing date and the application process cannot begin until they file an application registration with the appropriate FS office.

If the household has completed the application registration, the agency must also offer to forward the application registration to the appropriate office that same day.

If a person comes into the wrong office, but is in the right county to apply for FS, s/he must be allowed to set the filing date. The agency will complete Client Registration in CARES, or have the person complete the application registration, schedule an eligibility interview in the correct office, transfer the case if necessary, and give the client notice of the appointment and location.

2.1.1.5 SSA Participation in FS Applications

7 CFR 273.2(k)

If an SSI applicant or recipient lives alone or in a household where all FS group members receive or are applying for SSI, s/he has the right to apply for FS at the ES agency or at the SSA office handling his/her SSI case.

When the SSI applicant or recipient is eligible for this option, s/he is not required to go to an ES agency to apply for FS. The SSA must assist the applicant in completing the application form and submit the application to the ES agency for the applicant. SSA will refer SSI recipients who contact them to inquire about FS benefits to the ES agency. Anyone who applies for FS at the SSA office is told of their option to apply at the ES agency and that doing so may expedite receipt of FoodShare benefits.

2.1.1.5.1 SSA Worker Responsibility:

1. Decide if the SSI applicant/recipient is eligible to apply for FS at the SSA office.
2. Interview the FS applicant and accept the FS Application.
3. Screen the FS applicant for priority service and help the FS applicant complete the application.
4. Mail the completed application to the ES agency within 1 federal workday.

Reminder: SSI applicants who want FS priority service must complete the FoodShare Wisconsin Application Registration form to be submitted by the SSA to the ES agency.

The FS interview conducted by SSA replaces the regular application interview by the ESA. An additional interview by the ES agency is not required. The ES agency will process these FS applications and contact the SSI applicant by other means if more information is needed to process the application.

2.1.1.5.2 SSI Applicants in Public Institutions

Residents of public institutions may apply for SSI prior to their release under the SSA Prerelease Program. SSA staff will accept a FS application from the person at the same time they apply for SSI under this program.

When SSA forwards a FS application to the ESA for a resident of a public institution, the time period for processing the application begins the date the resident is released from the institution. Process the application within 30 days after the applicant's release.

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2.1.2 Application Processing Timeframe

7 CFR 273.2(c); 7 CFR 273.2(g)

The application process must be completed within 30 days of the initial filing date, unless the applicant is eligible for expedited services (2.1.4). Applicants are required to cooperate with the completion of this process. Local agencies are required to assist the applicant in the completion of the application process if the applicant requests such assistance.

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2.1.3 Interviews

2.1.3.1 Scheduling the Interview
2.1.3.2 Completing the Interview
2.1.3.3 Use of an Authorized Representative
2.1.3.4 Signature
2.1.3.5 Telephone Interviews
2.1.3.6 Completing Telephone Interviews
2.1.3.7 Post Telephone Interview Process

2.1.3.1 Scheduling the Interview

7 CFR 273.2(e)(3)

Local agencies must make every attempt to schedule interviews to ensure that an initial *FS* eligibility determination can be completed within the 30 day processing timeframe. Applicants eligible for priority service must be scheduled for an interview the same day or the next business day following the filing date.

Interviews are typically held at the local office, but may be held at a mutually acceptable location, including the food unit's residence. If an interview is scheduled at a residence, it must be scheduled in advance. In some circumstances, a telephone interview (2.1.5) may be scheduled.

Local agencies must notify each household that misses its initial interview appointment that it missed the scheduled interview and that the household is responsible for rescheduling a missed interview. The use of Client Scheduling in *CARES* will ensure that households receive this notice. If Client Scheduling is not used, notices of missed interview appointments and client responsibility to reschedule must be issued by the local agency. Keep a copy of the agency notice in the case file. Agencies may not deny a household's application prior to the 30th day after the application filing date if the household fails to appear for the first interview.

For households that miss a scheduled appointment and contact the agency to re-schedule within the 30-day application processing period (2.1.2), the agency must schedule another interview.

2.1.3.2 Completing the Interview

7 CFR 273.2(e)(1); 7 CFR 273.2 (b)(4)(iv)

During an interview, the *ESS* must not simply review the information that appears on the application but must explore and resolve with the applicant all unclear information. The interviewer must also advise households of their rights and responsibilities during the interview.

Although CARES provides a means for an individual to apply for several programs of assistance, FS eligibility must be based solely on the requirements and regulations governing the FS Program. Applications for FS may not be denied solely on the basis that an application to participate in another program has been denied. Similarly, ongoing FS benefits may not be terminated solely because benefits from another program have been terminated. During an interview, the interviewer must advise applicants for joint W2/FS that W2 requirements do not apply to FS and that households that lose or decline W2 benefits may still qualify for FS.

The ESS must ask the applicant to identify all household members and their relationship to each other, and if they share food.

Providing SSNs (3.13.1) for each household member is voluntary. However failure to provide an *SSN* will result in the denial of FoodShare benefits to each individual failing to provide an SSN. Although SSN and alien status information is not required for household members not applying for benefits, the ESS must determine if the non-applicant household member has income or assets that affect the applying household members' eligibility. If so, that information must be provided and verified in order to determine FS eligibility for the applicant household members.

Advise the FS applicant of their change reporting requirements (6.1.1) at the time of the interview. If the food unit will be subject to six-month reporting (6.1.2), explain the six-month report form and process to the applicant as well.

It is not necessary for applicant signatures to be witnessed by an agency representative for a FS application to be considered complete.

2.1.3.3 Use of an Authorized Representative

7 CFR 273.2(n)

Representatives may be authorized to act on behalf of a food unit in the application process, in obtaining FS benefits, and/or in using FS benefits.

The local agency must inform applicants and prospective applicants that indicate that they may have difficulty completing the application process, that a non-food unit member may be designated as the authorized representative for application processing purposes. The authorized representative designated for application processing purposes may also carry out food unit responsibilities during the certification period such as reporting changes in the food unit’s circumstances.

A non-food unit member may be designated as an authorized representative for the food unit provided that the person is:

1. an *adult* who is sufficiently aware of relevant food unit circumstances, and

2. the authorized representative designation has been made in writing by the primary person, *spouse*, or another responsible member of the food unit.

Individuals who are disqualified for an Intentional Program Violation (*IPV*) (3.14.1) cannot serve as authorized representatives during the disqualification period, unless the agency has determined that no one else is available to serve as an authorized representative.

Residents of drug and alcohol treatment centers must apply and be certified for FS eligibility through the use of an authorized representative.

2.1.3.4 Signature

7 CFR 273.2 (b)(1)(iii)

The FoodShare applicant must sign the completed CARES generated *CAF* or FoodShare Wisconsin Application (HFS 16019B) indicating that all the information provided is true and complete and that they understand their rights and responsibilities.

It is not necessary for applicant signatures to be witnessed by an agency representative for a FS application to be considered complete.

2.1.3.5 Telephone Interviews

7CFR273.2(e)(2)(i – ii)

A telephone interview may be conducted instead of a face-to-face interview when an authorized representative (2.1.3.3) cannot be appointed and one of the following hardship circumstances exists:

1. The person applying can't come to the office because he/she is elderly or disabled and no other food unit members are able to come to the office, or
2. No food unit member is available to come to the office due to hardships such as:
    a. illness,
    b. severe weather,
    c. lack of transportation ,
    d. hours of work,
    e. other hardship situation

Note: FTF interviews may be waived for households in which all members are elderly or disabled and have no earned income

Document on CARES screen CMCC the reason a FTF interview was waived. When a FTF interview is waived, a telephone interview must be completed.

A waiver of the FTF interview (2.1.1.1) does not exempt the household from the verification requirements (1.2.1), although special procedures may be used to

permit the household to provide verification and thus obtain its benefits in a timely manner, such as substituting a collateral contact (1.2.2.2) in cases where documentary verification would normally be provided. A waiver of the FTF interview may not affect the length of the household's certification period.

Do not allow a telephone interview for FS food units that include an individual who has committed an Intentional Program Violation (3.14.1).

2.1.3.6 Completing Telephone Interviews

At the start of the telephone interview make a verbal agreement with the client that s/he will complete the application or recertification (2.2.1) interview over the phone. Document the agreement in case comments (CARES screen ACCC) and include the reason that the FS group was eligible for a telephone interview.

Go over the CAF with the client using the intake or review driver flows in the CARES system. Access the data exchange information for the case and act on any information that you find. If there are discrepancies in the information, resolve those differences during the interview and/or verification process. At the end of the interview, review all information provided with the client.

2.1.3.7 Post Telephone Interview Process

After the interview, if verification is needed, print out a verification list and send it to the client with instructions to provide the listed documents to the FS worker within 10 days.

If the food unit claims deductible expenses during the interview, the food unit must verify the claimed deductions or the deduction will not be allowed. If verification of the deductions is not provided, do not allow the deduction and do not close the case.

At the end of the telephone interview, print the CAF. Instruct the client that you will be mailing the printed CAF to them for their signature. The CAF should be signed and returned to the agency within 10 days. The application or review is not complete until the signed CAF signature page is returned to the agency.

If the signed CAF signature page is not returned within the ten day period, or by the end of the application or review processing period, whichever is later, close the case for failure to sign the application (closure code 045).

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2.1.4 Expedited Service at Application

7 CFR 273.2(i)

2.1.4.1 Eligibility for Expedited Services at Application
2.1.4.2 Verification Requirements for Expedited Services
2.1.4.3 Eligibility for Migrant Workers

Expedited Services are designed to get the initial *FS* allotment to the FS group within seven calendar days from the date of the application. In order to do this, the applicant must be allowed to complete the interview quickly and *CARES* must issue benefits quickly. The two phases of expedited services are:

1. Priority Service - which refers to whether or not a person should be interviewed the same day or the next working day from the filing date
2. Expedited Issuance - which refers to how quickly CARES will issue FoodShare benefits once the case is confirmed and eligible for expedited issuance. Expedited benefits will be issued the same day or the next business day following confirmation in CARES. All food units that apply after the 15th of the month and who are eligible for expedited issuance must receive the prorated initial allotment and next month's allotment within 7 calendar days from the application filing date.

Local agencies must provide priority service and expedited benefits to those households that qualify for them.

2.1.4.1 Eligibility for Expedited Services at Application

A person or food unit may be eligible for priority services and expedited issuance if:

1. Their total monthly gross income and available assets are less than the monthly costs for utilities and rent or mortgage; or
2. Their gross monthly income is less than $150 and they have $100 or less in available liquid assets; or
3. Their household includes a *migrant*/seasonal farm worker, their liquid assets are less than $100, the source of their income is from a terminated source, and they don't expect to receive more than $25 from a new source in the next ten days.

There is no eligibility for expedited services at recertification (2.2.1).

2.1.4.2 Verification Requirements for Expedited Services

If a food unit is eligible for expedited benefit issuance, it must only provide verification of identity of the primary applicant before the expedited benefits can be issued. If any other required verification is readily available, it must be used in the initial eligibility determination. Other outstanding required verification items

must be requested, however do not delay the issuance of expedited benefits pending the receipt of other requested verification. CARES will deny ongoing months with a failure code reason related to expedited verification requirements.

If requested verification is not received, the AG will remain closed due to failure to provide requested expedited verifications (codes 152, 153, or 154). In these cases, it is not necessary for a worker to enter "NV" codes at the end of the 30 day application processing period in order to deny ongoing FS benefits.

There is no limit to the number of times a household can be certified under expedited procedures as long as the household:

1. submitted all the required verifications within the last 30 day application processing period following an expedited issuance, or
2. was certified under normal processing standards since the last expedited certification.

2.1.4.3 Eligibility for Migrant Workers

According to Wisconsin Statutes, 103.90 (5) (a), "A 'migrant worker' is any person who temporarily leaves a principal place of residence outside of his state and comes to this state for not more than 10 months in a year to accept seasonal employment in the planting, cultivating, raising, harvesting, handling, drying, packing, packaging, processing, freezing, grading, or storing of any agricultural or horticultural commodity in its unmanufactured state."

Migrants are eligible for priority service if:

1. Income is less than $150 gross, **and**
2. Available assets are $100 or less.

Migrants can be considered as "destitute" if they meet all three of the following:

1. Assets are $100 or less,
2. The only income received by the food unit prior to the application filing date was from a terminated source, **and**
3. The household does not expect to receive more than $25 from a new source within 10 calendar days from the date of application.

Treatment of Income for Destitute Migrants:

1. Budget income from a terminated source which was received by the food unit between the first of the month of application and the application date, as income available for the food unit’s needs in the month of application.
2. *Disregard* any income from a new source expected during the month of application. This income may not be more than $25.00 or must be received at least 10 days after the date of application.
3. After the application month, budget income from a new source for the months it will be received.

The home of a migrant worker in his/her state of residency is an exempt asset.

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2.1.5 Changes Reported During the Application Processing Period

For applications, changes that occur between the filing date and the intake interview date must be acted on as part of the application. Changes that occur or are reported after the interview, whether or not the case has been processed, must be acted on in the same manner as any other reported change.

If information is reported during the 30-day application processing period that would cause a *FS* application to be denied, and the denial is confirmed in *CARES*, a new application is required.

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2.1.6 Withdrawing the Application

7 CFR 273.2(c)(6)

The food unit may voluntarily withdraw the application at any time prior to the determination of eligibility. The local agency must document in case comments the reason for the withdrawal, if any was stated by the food unit, and that contact was made with the food unit to confirm the withdrawal. The food unit must be advised of the right to reapply at any time subsequent to the withdrawal.

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2.1.7 Confirming the FS Eligibility Determination in CARES

Before confirming *FS* eligibility, *ESS* must ensure that the correct eligibility determination has been made. A check of individual eligibility details of the non-financial results and also the budget details are essential. Some items to consider are:

1. Are verifications complete?
2. Are correct household members included in the food unit/food group?
3. Is correct income used?
4. Are correct expenses and deductions allowed?
5. If the AG is denied, is the denial reason correct?
6. Is there clear documentation in *CARES* case comments?

If so, confirm the FS eligibility and process a referral of any mandatory *FSET* participants to FSET (3.16.1).

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2.2 REVIEWS

2.2.1 Certification Periods (Reviews)

7 CFR 273.14(a); 7 CFR 273.10(f)

2.2.1.1 Six Month Reviews
2.2.1.2 Shortening a Certification Period
2.2.1.3 Completing a Recertification
2.2.1.4 Review Processing Timeframe
2.2.1.5 Eligibility Reviews for Other Programs and Their Impact on the FoodShare Certification Period

The certification period for *FS* eligibility for most food units is 12 months. Food units where all food unit members are *homeless* and food units that include a *migrant* or seasonal farmworker have a 6-month certification period. Recipients must complete an interview (2.1.3) (review) and verify current household information in the last month of the certification period in order to be recertified and continue receiving FS benefits.

Food units with zero FS benefits in their initial benefit month and a FS allotment greater than 0 in the second month, will be certified for 12 months beginning with the application month. If the benefit calculation is zero for the first two months, the case will be denied.

Example 1: Barry applied for FS in August after he lost his job. In the FS benefit determination for August and September, Barry received zero for August (due to excess net income) and $98 in September. His certification period starts in August.

If FS eligibility is denied in the month of application for any other reason, and eligibility begins the following month, the 12-month certification period begins in the month following the application month.

Example 2: Barry's *FSET* sanction ends 08/31/04. He reapplies and re-requests FS on 08/25/04. He is ineligible in August and eligible for $141 in September. Barry's 12-month certification period begins 09/01/04.

2.2.1.1 Six Month Reviews

The certification period of the following food units is 6 months:

1. food units that include a migrant of seasonal farm worker, or
2. food units that are homeless, and
3. where action is taken in *CARES* to indicate homelessness or a migrant food unit member prior to adverse action in month 4 of the certification period.

NOTE: Once a 6-month certification period has been established the review will remain due in month 6 even if the homeless food unit secures housing, or the migrant worker leaves the food unit prior to the review month.

2.2.1.2 Shortening a Certification Period

Local agencies may not end a certification period earlier than the assigned termination date, unless the agency receives information that the food unit has become ineligible or the food unit does not cooperate in clarifying its circumstances. Loss of W2 or a change in employment is not sufficient in and of itself to meet the criteria necessary for shortening certification periods.

2.2.1.3 Completing a Recertification

7 CFR 273.14(b)

There are several steps to completing a recertification (review) for FS cases:

1. Notification must be sent to the recipient informing him/her that the certification period is ending and an interview (2.1.3) must be conducted if benefits are to continue.
2. An interview must be conducted and the recipient must be notified of verifications required to determine continued eligibility for the program.
3. Certain information gathered at the interview must be verified (1.2.1).
4. Benefit eligibility must be confirmed in CARES (2.1.9) in order for the review or recertification to be considered complete.

2.2.1.4 Review Processing Timeframe

The 30-day processing timeframe for a review is not the same as it is for applications. The 30-day review processing timeframe refers to the review month. In other words, a review must be processed and confirmed by the last day of the review month unless there is an agency-caused delay such as allowing 10 days for verification. In those instances, the worker should document in CARES the reason for the late recertification and set the FS program request date for the first of the month so that there is no pro-ration of benefits.

The FS case will close effective the last day of the review month at adverse action of the review month if the review is not completed, including confirmation. The *ESS* and the FS recipient have until the end of the review month to complete the review without a new application being required. If there is an agency delay or if verifications (1.2.1) are pending, additional days can be added to that time frame without a new application being required.

Example 1: Tom's FS review is due by June 30. He completes the review interview with his ESS on June 27 and his verifications are due July 07. Tom provides the requested verification on July 05. Although Tom's case closed effective June 30 due to lack of completed review, his FS case is reopened with a new certification period beginning July 01. His benefits are not prorated and he is not required to submit a new application.

Example 2: Lisa's review is due by June 30. She completes her review interview on June 27 and her verifications are due July 07. She does not provide the requested verification until July 09. Lisa's FS case remains closed effective June 30. She is required to submit a new application for FS. Although the CARES notice Lisa received when her worker entered "NV" in the requested verification fields informed Lisa that she must re-apply for FS, good customer service would be provided by a follow-up contact from the ESS encouraging Lisa to re-apply.

2.2.1.5 Eligibility Reviews for Other Programs and Their Impact on the FoodShare Certification Period

Reviews completed for other assistance programs do not automatically count as a review for FS and will not change the FS certification period.

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3 NONFINANCIAL REQUIREMENTS

3.1.1 GENERAL NON-FINANCIAL ELIGIBILITY

Non-financial eligibility for *FS* is determined by gathering certain information about household members. Some of these non-financial factors impact FS eligibility for an entire FS group. Other factors only impact FS eligibility for an individual.

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3.2.1 RESIDENCE

3.2.1.1 Joint or Shared Physical Custody of Children
3.2.1.2 Temporary Absence
3.2.1.3 Homelessness
3.2.1.4 Institution
3.2.1.5 Group Living Arrangement

7 CFR 273.3

Applicants for FoodShare benefits must reside in, or be temporarily absent from Wisconsin.

Guidelines for Determining Residency

1. Residence does not mean the legal place of residence or principal home.
2. Residence does not mean the intent to live permanently in Wisconsin or the county.
3. A person who is in Wisconsin or in a county solely for vacation purposes is not a resident of the county.
4. Do not require someone to reside in Wisconsin or within a county for any minimum length of time.
5. Residence does not mean a permanent dwelling or a fixed mailing address.

3.2.1.1 Joint or Shared Physical Custody of Children

Children are included in the household where they reside when they are under the care and control of a *parent* or other caretaker in that household. There may be situations when the residence of a *child* is not easily determined. There are many methods that can be used to determine the child's residence. If the residence of a child is questionable, court documents can be used to determine if there is a primary caretaker designated. It may be a situation of joint custody and

a 50-50 custody split. If one parent is not designated as primary caretaker, the parents can be asked to decide. Individuals can only be included in one food unit.

If the parents can not or will not decide, compare the parents' activities and responsibilities against the following list and determine which one is exercising more control than the other:

1. If the parents reside in different school districts, where does the child attend school? Who selected the school?
2. Who assists the child with homework or school-related tasks?
3. Are there tuition costs for the child's education? If so, who pays those costs?
4. If the child is enrolled in day care, who arranges for and pays these costs?
5. Who is responsible for taking the child to and from school and/or day care?
6. Which parent is listed as the contact for emergencies at the child's school or day care provider?
7. Who arranges medical and dental care for the child? Who selects the physician and dentist?
8. Who maintains the child's medical records?
9. Who initiates decisions regarding the child's future?
10. Who responds to medical or law enforcement emergencies involving the child?
11. Who spends money on food or clothing for the child when the child visits the absent parent?
12. Who disciplines the child?
13. Who plays with the child and arranges for entertainment?
14. Are more of the child's toys, clothing, etc. kept at one parent's home than the other's?

Only one parent can receive *FS* for a child. If you still can not determine which food unit the child should be in, the caretaker that first applies would be eligible. Use the best information available to make your decision, and document in case comments the basis of your determination. If you still can not determine which food unit the child should be in, call the *CARES* call center.

Example 1: Holly lives with her mother in Gleason. She attends school in her mother's district and her mother maintains a home for her. She visits dad on the weekends. Dad is receiving FS. Holly is considered as "residing" with her mother. Her father cannot include her in his food unit.

Example 2: Fran (mom) has legal custody of Clarence. However, Clarence resides with grandma, and occasionally visits mom. Clarence is considered "residing" with grandma and would be included in Grandma's food unit if she applied. Clarence would not be included in Mom's food unit since he is residing with Grandma.

Example 3: Mary and Rich have joint/shared custody of Ryan. He spends days with Rich because Mary works days, and nights with Mary because Rich works nights. However, Mary maintains a home for Ryan, he attends school in mom's district, and she provides for most of his needs. Ryan is considered "residing" with Mary, and can receive FS with her. Ryan would not be included in Rich's food unit since he is residing with Mary.

Example 4: Pam and Paul have 50/50 shared custody of Emily. Neither is designated as primary caretaker. They do not agree on who exercises more control over Emily. They both have Emily for 3 and on half days per week. They live in the same school district, both are contacted in an emergency, etc. Paul comes in to the agency to apply for FS first. Emily would be included in Paul's food unit.

3.2.1.2 Temporary Absence

Include in the household an individual temporarily absent from the household when the expected absence is no longer than 2 full consecutive calendar months past the month of departure. Some examples are absence due to illness or hospitalization, employment, and visits.

To be considered temporarily absent, one must meet ALL of the following conditions:

1. The individual must have resided with the food unit immediately before the absence,
2. The individual intends to return to the home, and the food unit must maintain the home for him/her,
3. If the absent person is a child, the caregiver of the absent child is responsible for the child's care and control when the child returns to the home, and
4. If the absent person is an *adult*, the adult must still be responsible for care and control of the child during their absence.

Attending school - Persons temporarily absent to attend a school is not a reason to remain included in the food unit.

Hospitalized Newborn - Infants who remain hospitalized for an extended period of time should be added to the food unit, even if the absence is greater than 2 consecutive months.

Incarceration - Huber Law prisoners released for the purpose of caring for members of their family can be considered temporarily absent from the household.

Example 1: Karley resides with and receives FS with her mother. On June 6th, it is reported that Karley is going to stay with her father in Madison for the summer. She'll be returning to her mother's home on August 15th.

The month of departure is June. Since she is only absent for 1 calendar month (July), she is considered temporarily absent from her mother's household. She will not be out of the home longer than 2 full consecutive months.

Example 2: Her mother reports Karley will be leaving on May 24 to spend the summer with her father. She is expected to return to her mother's residence on August, 1st. Karley will be absent from her mother's home for 2 consecutive calendar months (June and July) so would not be considered temporarily absent. She should be removed from her mother's household effective July and added back to the household when she returns.

3.2.1.2.1 Military Absence

Someone absent solely for full-time service in the military is not considered temporarily absent, and is not in the household. Income from someone outside of the household may be used in the financial eligibility determination.

If military income is direct deposited into an account jointly owned by the person in the military and a member of the FS AG, it will be counted as unearned income, with the exception of combat pay. Military allotments paid to a *spouse* or dependent of the person in the military are budgeted as unearned income as long as the spouse or dependent is a member of the FS AG. This includes cash sent directly from the person in the military to a FS AG member.

Please see 4.3.4.2 *Disregard* Unearned Income for the treatment of combat pay.

3.2.1.2.2 Incarceration and Huber Law Prisoners

Huber law prisoners who are released from confinement for the purpose of caring for members of their family, and who purchase and prepare meals with their family members are considered temporarily absent from the FS Unit and may be eligible for FoodShare benefits. The prisoner must meet all financial and non-financial eligibility requirements.

A Huber Law prisoner is caring for his/her family if s/he meet all the following criteria:

1. Intends to return home after his or her confinement.
2. Continues to exercise care and control of his or her children.

3. Continues to plan for the support and care of his or her children.
4. Is released to attend to the needs of his/her family and to purchase or prepare meals with his/her family.

Example 1: A mother with three school age children has been sentenced to serve 90 days in a Huber facility. She is released at 8:00 A.M. to her place of employment and must report directly back to the Huber facility by 4:30 P.M. This mother is absent form the household and is not eligible for FS benefits.

Example 2: A father applies for FS for himself and his two school age children. He is sentenced to serve 90 days in a Huber facility. Under the terms of his sentence he is released each morning at 6:00 A.M. to report to his job; at 3:00 P.M. he is to leave his job and report to his home to care for his children, including fixing and eating dinner with them. He must report back to the Huber facility by 8:00 P.M. This father is temporarily absent from the FS household and is eligible for FS benefits.

3.2.1.3 Homelessness

7 CFR 271.2

"*Homeless*" is defined as "An individual who lacks a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

1. A supervised shelter designed to provide temporary accommodations (such as a welfare hotel or congregate shelter),
2. A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized,
3. A temporary accommodation for not more than 90 days in the residence of another individual, or
4. A place not designed for, or ordinarily used as a regular sleeping accommodation for human beings (a hallway, bus station, a lobby, or similar places)."

3.2.1.3.1 Shelters for the Homeless

Determine eligibility for a homeless shelter resident as if s/he is living independently. Homeless shelters include transitional and temporary housing.

3.2.1.3.2 Transitional housing

Transitional housing helps homeless people move to independent living in a reasonable amount of time. It includes housing designed to serve deinstitutionalized homeless individuals, homeless people with mental disabilities, and homeless families with children.

3.2.1.3.3 Temporary housing

Temporary housing includes housing commonly known as a "rooming house".

The homeless person may use FoodShare benefits to purchase prepared meals from authorized shelters, some restaurants, and grocery stores.

An authorized shelter may not also be the person's authorized representative.

3.2.1.4 Institution

7 CFR 273.1(b)(7)

An institution is any establishment that provides care and/or services above and beyond meals and lodging.

A resident of an institution is anyone who receives most of his/her meals as part of the institution's normal operation.

Residents of institutions are ineligible for FS.

Some facilities appear to be institutions but are not. Persons living in the following licensed or authorized facilities may be eligible for FS:

1. Shelters for the homeless,
2. Group living arrangements ,
3. Drug and alcohol addiction treatment centers,
4. Shelters for battered women and children,
5. Section 202, 221(d)(3), and 236 housing, and all residents of any federally subsidized housing for the elderly.

3.2.1.5 Group Living Arrangement

A group living arrangement is a public or private nonprofit residential setting serving no more than 16 residents. It must be certified by the appropriate state or local agencies. An example may be a Community Based Residential Facility (*CBRF*).

Any blind or disabled (3.8.1) resident of a group living arrangement may be eligible.

The resident may purchase meals from the group living arrangement when *FNS* authorizes the facility to accept and redeem FS.

Determine the resident's eligibility as a 1 person food unit (3.3.1) when the facility applies as an authorized representative. If the resident applies in his/her own behalf, determine the group size according to food unit rules.

Residents of a group living arrangement that move out before the 16th of the month should have half of their FoodShare allotment for the month returned by the authorized representative.

3.2.1.5.1 Residential Care Apartment Complexes (RCAC)

An RCAC is a place where 5 or more adults reside that consists of independent apartments, each of which has an individual lockable entrance and exit, a kitchen, including a stove, an individual bathroom, and sleeping and living areas. Residents of RCAC facilities that offer optional meal services, separately from the cost of care can be treated as single apartment dwelling residents and be nonfinancially eligible for FS.

Residents of these facilities that do not have these services separate from the cost of care may be eligible if the resident meets the eligibility criteria for a group living arrangement (3.2.1.5).

Every tenant has a signed “Service Agreement” with the RCAC provider which lists the services the tenant is to receive from the facility (including meals) and the fees charged for those services. Charges for meals should be separately identified in this agreement. Both the resident and the facility have copies of the service agreement (contract). However, most RCAC’s do not have a separate lease for individual tenants.

The name and address of the facility on the service agreement can also be used to verify that the residence is an RCAC by checking against the Department's Residential Care Apartment Complex Directory.

As of April 21, 2005, at application and review, individuals residing in an RCAC will be tested according to the new RCAC policy. The ES worker must determine and verify the meal situation for each RCAC resident that requests FS.

To correctly process a case in CARES on screen ANLA
If the individual’s meals are purchased from the RCAC separately from their cost of care, code the individual as <01> on CARES screen ANLA.

If the individual’s meals are included in his/her cost of care, code the individual as <25>, (ineligible unless blind or disabled) on CARES screen ANLA .

Example 1: Maria lives in an RCAC. Her service agreement shows she has no meals included in her cost of care but she does have the option to select from various meal plans. She has opted to prepare all of her meals herself and not purchase any meal plan from the RCAC. She would be non-financially eligible for FS. ANLA would be coded as 01.

Example 2: John also lives in the same RCAC. He has opted to purchase one of the meal plans from the RCAC. Because the meal plan is purchased separately from his cost of care, he would also be non-financially eligible for FS. ANLA would be coded as 01.

Example 3: Francis lives in an RCAC that does not offer the option to buy meal plans separately from the cost of care. Her meals are included the monthly cost of care. She does not meet the non-financial eligibility criteria for FS unless she is blind or disabled.

3.2.1.5.2 Adult Family Home (AFH)

An AFH is a type of group living arrangement where care and maintenance above the level of room and board (but not including nursing care) are provided in a private residence by the care provider whose primary domicile is this residence for 3 or 4 adults, or more adults if all of the adults are siblings, each of whom has a developmental disability.

The individual in an AFH who is receiving foster care or paying board may be in their own FoodShare group if they wish.

3.2.1.5.3 Drug & Alcohol Treatment Centers

Private, nonprofit centers providing treatment or drug and alcohol addiction are not institutions.

Publicly operated mental health centers certified as drug and alcohol addiction treatment and rehabilitation programs aren't institutions. DCS/BCP certifies these facilities.

An authorized representative must apply for these residents. The center employs and appoints the authorized representative. The center may choose a representative to be the FoodShare payee or an authorized buyer. S/he will receive a Wisconsin QUEST card to access FoodShare benefits on behalf of the

resident. The center may also choose the resident to be the sole QUEST cardholder as the primary person of the case. The QUEST cardholder may purchase food for meals or meals prepared or served by the center, or both.

Determine the eligibility of a resident of a drug and alcohol addiction treatment center as a one person FS group, unless the resident is a parent whose child(ren) resides with them at the center. Include any child(ren) residing with their parent(s) at the center, whether or not the center provides the majority of the child(ren)'s meals, when determining eligibility.

3.2.1.5.4 Shelters for Battered Women & Children

A shelter for battered women and children is a public or private nonprofit residential facility serving battered women and their children.

Shelters for battered women and children may act as the authorized representative for FS applicants and recipients. Document the basis that the facility is eligible to participate. Any shelter for battered women and children authorized by FNS to redeem FoodShare benefis at wholesale stores is eligible.

A shelter resident may be a member of an eligible food group before entering the shelter. Although in most cases an individual may not be a member of 2 food groups in the same month, a resident of a shelter for battered women and children may be eligible for dual benefits as a separate food group while living at the shelter. This occurs when the earlier food unit contains the person who allegedly abused the resident.

They are food units separate from:

1. Other residents of the shelter and
2. Any food unit to which they belonged at the time they entered the shelter.

Review the former group's eligibility and allotment. Re-test the former group and include the change in FS group composition.

3.2.1.5.5 Section 202 & 236 Housing

Exempt residents of any federally subsidized housing for the elderly and disabled from the "residents of institutions" policy.

HUD funds some housing units primarily for the aged and disabled. This housing is called Section 202, Section 221(d)(3), and Section 236 housing. These housing units provide meals if the resident can not get them without help.

Residents of 202/236 housing may still be eligible for FoodShare benefits. If you are unsure if a residence is an institution or 202/236 housing, contact the Wisconsin Housing and Economic Development Authority (WHEDA) at (608) 266-7884 to verify.

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3.3.1 FOOD UNIT

3.3.1.1 Relationship Definitions
3.3.1.2 Relationship Rules
3.3.1.3 Relationship Rules Exception

7 CFR 273.1(a)

Food unit: 1 or more persons who live in the same household and purchase and prepare food together for home consumption. This group is tested for eligibility together. There are some exceptions for boarders, foster persons, and certain elderly and disabled individuals.

Examples of a food unit include:

1. A person living alone.
2. A group of persons living together who purchase and prepare meals together for home consumption.
3. A person (or group of persons) living with others, but who usually purchases and prepares food for home consumption separately from the others.

Purchase and prepare: People living together who:

1. Share in the cost of purchasing food.
2. Share in the preparation of food.
3. Eat together.

Each person does not have to shop, provide money, prepare food, and eat together Any of those activities is sufficient to include a member in purchasing and preparing food with the group.

3.3.1.1 Relationship Definitions

Adult : a person who is 18 years old or older.

Child : a person's biological, step, or adopted son or daughter, regardless of age.

Minor : someone less than 18 years old who is under the parental control of an adult food unit member.

Parent: a person's biological, step, or adoptive mother or father regardless of age. Parenthood doesn't have to be verified.

Parental Control: an adult providing parental control acts as a parent would toward the minor child. A minor child is considered under parental control if the child is financially or otherwise dependent on a member of the household. Foster care providers do not meet the parental control definition.

Sibling: brother, sister, half-brother, half-sister, stepbrother, stepsister, and siblings related through adoption.

Spouse : Someone who either:

1. Is married to another as defined under Wisconsin law.
2. Lives with another while holding him/herself out to the community with the other as husband and wife. Holding out to the community means representing themselves as married to friends, relatives, neighbors, or trades people.

Stepparent : The spouse of a person who is the biological parent of a child. A stepparent that is divorced from a biological parent is no longer considered a stepparent.

3.3.1.2 Relationship Rules

7 CFR 273.1(b)(1)

The following individuals must be included in the same food unit, even if they do not purchase and prepare meals together:

1. Spouses and spouses.
2. Biological, adoptive, or step-parents and their children under the age of 22
3. Adults and minor children under the age of 18 years over whom they are exercising parental control.

Example: Tim and Jane are unmarried and live together. They claim separate food unit status. Jane comes into the office and reports she had a baby. Ask Jane: "Is Tim the father?" If she says "yes", Tim is in the food unit with Jane and the baby.

If she says "no", ask: "Is Tim participating in parental decisions that affect the baby?" If she says "yes", include Tim in Jane and the baby's food unit since he is providing parental control.

If she says "no", Tim is a separate food unit, unless other relationship rules

pull him in.

If Tim and Jane hold themselves out to the community as husband and wife, but claim the child isn't Tim's, the spousal relationship rule pulls Tim into Jane's food unit.

3.3.1.3 Relationship Rules Exception

A minor, living with his or her own spouse or child and with an adult who is not the minor's parent, is not considered under the control of the adult and can be a separate food unit if they purchase and prepare food separately.

Example: For example, a 17-year old living with an aunt. The 17-year old has a 1-year old son. If the 17-year old and her son purchase and prepare food separately from the aunt, they can be their own food unit.

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3.4.1 DUAL MEMBERSHIP & DUPLICATE BENEFITS

7 CFR 273.3(a)

A person cannot be a member of more than 1 food unit and 1 *FS* group in the same month except:

1. Residents of shelters for battered women and children
2. Persons moving to Wisconsin from a state issuing FS on a fiscal month basis. A fiscal month cycle provides benefits from a date in one month to a corresponding date in the next month. California (Fresno), Illinois, Massachusetts, Nevada and South Dakota issue on a fiscal month cycle. Wisconsin issues on a calendar month cycle.

Example: In early October a FS group moves to Wisconsin from Illinois. Illinois issues FS on a fiscal month cycle. The group last got FS in September from Illinois. It was an allotment for the last half of September and the first half of October. The FS group applies in Wisconsin in October. The last day the group was an Illinois FS group was September 30

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3.5.1 BOARDERS

3.5.1.1 Reasonable Compensation

7 CFR 273.1(b)(3)

A boarder is anyone who resides with a household and:

1. Pays reasonable compensation to the household for lodging and meals and,
2. Is in the food unit from which s/he purchases his/her meals and,
3. The food unit's primary person asks that s/he be included.

A boarder group includes all the persons in a household who are included in the same payment for meals. This applies whether each person actually makes part of the payment or one or more persons makes the payment on their behalf. Include spouses and *minor* children of a boarder in the same boarder group, even if they claim they are making separate payments.

Children and parents living together are not boarders if the *child* or *parent* is paying board to the other.

A *spouse* who lives with a spouse and pays board to his/her spouse is not a boarder.

A *sibling* who lives with a sibling and pays board to that sibling is not a boarder.

3.5.1.1 Reasonable Compensation

Reasonable compensation means the person pays enough money for meals to qualify as a boarder.

Compute reasonable compensation based on the number of meals a day the person pays for. A boarder group who pays for more than 2 meals a day pays reasonable compensation when they pay an amount that equals or exceeds the Allotment Maximum. The Allotment Maximum is based on the size of the boarder group.

A boarder group who pays for 2 meals or less a day pays reasonable compensation when they pay an amount that equals or exceeds 2/3 of the allotment maximum for the size of the boarder group.

Persons paying less than reasonable compensation are not boarders. Count income and assets of people who are paying less than reasonable compensation. Do not count a boarder's income and assets unless s/he is a food unit member.

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3.6.1 FOSTER CARE RECIPIENTS

7 CFR 273.1(b)(4)

A foster person is a person for whom foster care is being paid. They are placed in the homes of relatives or other individuals by a federal, state, or local government foster care program. This determination is regardless of the funding source or the age of the foster person. Include a foster care recipient in the food unit only when the primary person asks that the foster care recipient be included. The foster care recipient may belong only to the food unit s/he receives the foster care and meals from.

3.6.1.1 Foster Care Payment

A foster care provider is the person providing foster care for a foster person. Money paid for the care of a foster care recipient is income of the recipient, not the provider.

Count the foster care recipient's income only if the foster care recipient is in the food unit.

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3.7.1 ADOPTION ASSISTANCE

The *child* included in the adoption assistance payment must always be included in the food unit.

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3.8.1 ELDERLY, BLIND, OR DISABLED INDIVIDUALS

3.8.1.1 Disabled Veterans

An elderly individual is a food unit member age 60 or older.

A disabled individual is a food unit member who receives disability or blindness benefits from any of these programs: *SSA*, *MA*, *SSI* or SSI related MA, Railroad Retirement Board (RRB), or VA.

If an individual is certified as disabled or blind by one of the above agencies, but has not received the initial benefit, consider him/her disabled.

An individual receiving retirement benefits from the RRB and found eligible for Medicare by the RRB is disabled. An individual who receives GA and meets the SSI program disability criteria is also disabled.

Use the elderly and disabled definitions to determine food unit membership, restaurant eligibility, student status, and medical, shelter, and utility deductions. Under certain specific circumstances individuals and their spouses who are elderly and disabled may be a separate food unit even if they are living and eating with others. See 5.2.1 for rules related to FS-E eligibility.

3.8.1.1 Disabled Veterans

The definition of a Disabled Veteran is:

1. A veteran with a disability rated by the VA as total or paid as total by the VA, or
2. A veteran or surviving *spouse* of a veteran considered by the VA to be in need of regular aid and attendance or permanently housebound, or
3. A surviving *child* of a veteran and considered by the VA to be permanently incapable of self-support, or
4. A surviving spouse or a surviving child of a veteran and considered by the VA to be entitled to compensation for a service-connected death or pension benefits for a non-service connected death and has a disability considered permanent by SSA.

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3.9.1 ATTENDANT/HOUSEKEEPER

7 CFR 273.1(b)(6)

An attendant/housekeeper is a person who meets both of the following conditions:

1. Lives in the home of the person s/he provides *child*, medical, or nursing home care, or similar services to. If the person receiving care lives in the attendant's home, an attendant/housekeeper situation does not exist.
2. Is not a *parent*, child, *sibling* or *spouse* of anyone in the same food unit as the person s/he is caring for.

A live-in attendant/housekeeper may apply for FoodShare benefits as a separate food unit from other household members if the conditions above exist.

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3.10.1 STRIKERS

7 CFR 273.1(e)

3.10.1.1 Striker Exceptions
3.10.1.2 Termination of a Strike
3.10.1.3 Eligibility on the Day Before a Strike
3.10.1.4 Pre-Strike Income

A striker is anyone involved in either of the following, whether or not s/he is in a collective bargaining unit:

1. A strike or concerted stoppage of work by employees against their employer. This includes a stoppage because a collective bargaining agreement expired.
2. A concerted slowdown or interruption of operations by employees against their employer.

A person is a striker whether or not s/he personally voted for the strike. Strikers are not exempt from Work Participation requirements.

3.10.1.1 Striker Exceptions

None of the following is a striker:

1. An employee affected by a lockout.
2. Persons exempt from the *FS* work requirements except those exempt solely because they're employed. For example, a caretaker of a *child* under six years old is not a striker. (See the *FSET* Manual 3.16.1)
3. Any employee of the Federal Government, the State or any political subdivision engaged in a work related strike. S/he has voluntarily quit his/her job without good cause.

3.10.1.2 Termination of a Strike

A strike has ended when:

1. The employer notifies its striking employees that it has hired or is hiring replacement workers.
2. All or some of the employees can not return to the same job they held with that employer before the strike.
3. The employees return to work.

3.10.1.3 Eligibility on the Day Before a Strike

To be eligible, a FS group with a striker must have been eligible on the day before the strike began.

If the case was open for FS on that date, it remains eligible if it continues to meet all criteria.

If the case was not open on that date, determine if the case could have been eligible on the day before the strike. Assume the application date is the day before the strike began and the strike never occurred. Use the Striker Evaluation Form (8.2.1). Deny an application if the group would have been ineligible the day before the strike.

3.10.1.4 Pre-Strike Income

Determine the FS group's eligibility and allotment. Add the highest of the 2 following incomes to the income of the other FS group members:

1. The striker's income on the day before the strike ("pre-strike income"), or
2. The striker's income on the date of the current determination ("current income")

Determine the striker's pre-strike income by adding:

1. All unearned income s/he would normally expect to have received that month, and
2. All earned income s/he would have received in a month using the wage rate s/he was earning on that date. Allow the 20% earned income deduction.

Determine the striker's current income as you would any other person's regular income.

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3.11.1 FOOD DISTRIBUTION PROGRAM (TRIBAL COMMODITIES)

7 CFR 281.1(c)

3.11.1.1 Choice of Programs
3.11.1.2 Preventing Dual Participation
3.11.1.3 Switching Programs
3.11.1.4 FS Discontinuance Date
3.11.1.5 Denial due to FS IPV

The Great Lakes Inter-Tribal Council and the Menominee Tribe administer the program. Eleven tribes distribute commodities.

A person may receive commodities from one of these tribes if s/he is eligible and:

1. Is a Native American living in one of the counties served by that tribe , or
2. Lives within the geographical boundary of the tribe's reservation. This applies whether or not s/he is a Native American

3.11.1.1 Choice of Programs

Eligible persons must choose either the *FS* or commodities program. They can not participate in both. They may change their program choice, but must tell their current agency of the desired change.

Deny FS to any FS unit when a member receives commodities from a Food Distribution program.

3.11.1.2 Preventing Dual Participation

Inform applicants that participation in both programs is prohibited.

Do not verify if an applicant tells you s/he did not receive commodities in the current or preceding month, and will not receive them next month, unless the report is questionable.
If the report is questionable or s/he received commodities in one of those months:

1. Determine the month(s) s/he received, or will receive commodities.
2. Determine which tribe issued the commodities.
3. Contact the tribal Food Distribution Program staff to determine when the commodities were or will be received.
4. Inform the tribal staff of the FS request, the likely disposition of the application, and first FS issuance date.
5. Remind the FS group that it is illegal to receive both FS and Food Distribution benefits in the same month.
6. Document your performance of these 5 steps in the case record.

3.11.1.3 Switching Programs

When someone switches between programs, do not issue the initial benefit until the other program's benefits stop.

Deny FS if an applicant has already received commodities in the application month. If it is too late to stop commodities participation for the month after application, deny the FS application.

3.11.1.4 FS Discontinuance Date

When a FS recipient wishes to begin participating in the Food Distribution Program:

1. Before adverse action, drop the FS group from FS at the end of the month.
2. After adverse action, drop the FS group from FS at the end of the next month.

3.11.1.5 Denial due to FS IPV

Deny Food Distribution benefits to persons ineligible for FS because of an *IPV*. DHFS sends a list of IPV disqualified persons to the Great Lakes Inter-Tribal Council and the Menominee Tribe monthly.

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3.12.1 CITIZENSHIP AND IMMIGRATION STATUS

7 CFR 273.4

3.12.1.1 Qualified Alien or Immigration Status
Chart 1- Determining if a non-citizen is eligible for FS
Chart 2- Decoding the admission or adjustment codes from INS
3.12.1.2 Eligibility Pending Documentation of Immigration Status
3.12.1.3 Work Quarter Eligibility
3.12.1.4 Military Connection Eligibility
3.12.1.5 Battered Alien Eligibility
3.12.1.6 State Option FoodShare Program (SOFSP)
3.12.1.7 Ineligible & Illegal Aliens
3.12.1.8 Encouraging Application
3.12.1.9 Gaining Citizenship
3.12.1.10 Derivative Citizenship

To meet the citizenship or qualifying alien requirement for *FS* , a person must be one of the following:

1. A citizen of the US which is defined as a person:
   a. who was born in the US. Geographically, the US is the continental US, Alaska, Hawaii, Puerto Rico, US Virgin Islands, and Northern Mariana Islands, including Guam, or
   b. who is a naturalized citizen of the US
2. A person born outside of the U.S. to, or adopted by, at least one U.S. citizen. They are sometimes referred to as a "derivative citizen."
3. A non-citizen with a qualifying immigration status.

3.12.1.1 Qualified Alien or Immigration Status

1. Use Chart 1 to determine if a non-citizen is eligible for FS. If federal requirements are not met, a qualified non-citizen may be eligible for the State Option FoodShare Program (SOFSP).

2. Use Chart 2 for decoding the admission or adjustment codes from *INS*. Refer also to the INS SAVE Manual M300 (revised 09-00) and the Travel and Identity Documents guide.

CHART 1

Alien Status Code	**Federal FoodShare**		**State Option FoodShare Program (SOFSP)**
	Date of Entry Before 8/22/96	Date of Entry On or After 8/22/96	
Citizen	Eligible	Eligible	NA
01-Lawfully admitted for permanent residence	Ineligible unless: • meets work quarters, or • military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • born before 8/22/31, or • under age 18, or • has lived in the US as a qualified alien for 5 years from the date of entry	Ineligible unless: • meets work quarter requirement, or • military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • has lived in the US as a qualified alien for 5 years from the date of entry, or • under age 18	Eligible if federal requirements are not met.
02-Permanent Resident under color of law (PRUCOL)	Ineligible	Ineligible	Ineligible

03-Conditional Entrant Lawfully present under Section 203(a)(7)	Ineligible unless: • meets work quarters, or • military requiremen t, or • receives disability benefit, or • born before 8/22/31, or • under age 18, or • has lived in the US as a qualified alien for 5 years from the date of entry	Ineligible unless: • meets work quarters, or • military requirement, or • receives disability benefit, or • born before 8/22/31, or • under age 18, or • has lived in the US as a qualified alien for 5 years from the date of entry	Eligible if federal requirements are not met.
04-Refugee Lawfully present under Section207	Eligible for first seven years after date of entry. After seven years only eligible if: • meets work quarters, or • military requirement, or • Hmong or Highland Lao tribal member, • receives disability benefit, or • born before 8/22/31, or • under age 18, or • has lived in the US as a qualified alien for 5 years from the date of entry	Eligible for first seven years after date of entry. After seven years only eligible if: • meets work quarters, or • meets military requirements, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • has lived in the US as a qualified alien for 5 years from the date of entry, or • under age 18	Eligible if the federal requirements are not met.

05-Asylee Lawfully present under Section 208	Eligible for first seven years after asylum was granted. After seven years only eligible if: • meets work quarters, or • military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • born before 8/22/31, or • under age 18, or • has lived in the US as a qualified alien for 5 years from the date of entry	Eligible for first seven years after granted asylum. After seven years only eligible if: • meets work quarters or, • meets military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • has lived in the US as a qualified alien for 5 years from the date of entry, or • under age 18	Eligible if the federal requirements are not met.
06-Parolee Lawfully present under Section 212(d)(5)	Ineligible unless: • meets work quarters, or • military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • born before 8/22/31, or • under age 18, or • has lived in	Ineligible unless: • meets work quarters or, • meets military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • has lived in the US as a qualified alien for 5 years from the date of entry, or	Eligible if the federal requirements are not met.

	the US as a qualified alien for 5 years from the date of entry	• under age 18	
07-IRCA	Ineligible	Ineligible	Ineligible
08-Work Authorization: Temp.	Ineligible	Ineligible	Ineligible
09-Undocumented Alien	Ineligible	Ineligible	Ineligible
10-Illegal Alien	Ineligible	Ineligible	Ineligible
11-Cuban/Haitian Entrant (Section 501(e) of the Refugee Education Act of 1980)	Eligible for first seven years after date of entry. After seven years only eligible if: • meets work quarters, or • military requirement, or • receives disability benefit, or • born before 8/22/31, or • under age 18, or • has lived in the US as a qualified alien for 5 years from the date of entry	Eligible for first seven years after date of entry. After seven years only eligible if: • meets work quarters, or • Meets military requirement, or • receives disability benefit, or • has lived in the US as a qualified alien for 5 years from the date of entry, or • under age 18	Eligible if federal requirements are not met.
12-Considered a permanent resident by INS	Ineligible	Ineligible	Ineligible
13-Special AG worker under Section 210(A)	Ineligible	Ineligible	Ineligible
14-Additional Special AG worker under Section 210A	Ineligible	Ineligible	Ineligible

15-Withheld Deportation-Section 243(h) or 241(b)(3)	Eligible for first seven years after date of withheld deportation. After seven years only eligible if: • meets work quarters, or • military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • born before 8/22/31, or • under age 18, or • has lived in the US as a qualified alien for 5 years from the date of entry	Eligible for first seven years after date of withheld deportation. After seven years only eligible if: • meets work quarters, or • meets military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • has lived in the US as a qualified alien for 5 years from the date of entry, or • under age 18	Eligible if federal requirements are not met.
16-Battered Alien Code the battered immigrant adult or *child* or *parent* with the broadest immigrant eligibility category that applies to that person (e.g., a battered refugee immigrant, code as refugee). Document in case comments that the person is a battered immigrant and therefore	Ineligible unless: • meets work quarters, or • military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • born before 8/22/31, or • under age 18, or • has lived in	Ineligible unless: • meets work quarter requirement, or • military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • has lived in the US as a qualified alien for 5 years from the date	Eligible if federal requirements are not met.

exempt from sponsor deeming. Do not list the sponsor in *CARES* on ACCH. Do not list any of the sponsor's income and assets.	the US as a qualified alien for 5 years from the date of entry	of entry, or • under age 18	
17-Amerasians	Eligible for first seven years after date of entry. After seven years only eligible if: • meets work quarters, or • military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • born before 8/22/31, or • under age 18, or • has lived in the US as a qualified alien for 5 years from the date of entry	Eligible for first seven years after date of entry. After seven years only eligible if : • meets work quarters, or • meets military requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • has lived in the US as a qualified alien for 5 years from the date of entry, or • under age 18	Eligible if federal requirements are not met.
18 – Native Americans born abroad	Eligible	Eligible	Eligible
19 - Trafficking Victims - Including the *minor* children, spouses and in some cases the parents and siblings of victims of severe	Eligible for first seven years after date of entry. After seven years only eligible if: • meets work quarters, or • military	Eligible for first seven years after date of entry. After seven years only eligible if : • meets work quarters, or • meets military	Eligible if federal requirements are not met.

trafficking. In the case of an alien who is awarded a T visa and who is under 21 years of age on the date the T visa application was filed, Derivative T visas are available to the alien's *spouse*, children, unmarried siblings under 18 years of age on the date on which the alien's visa application was filed and parents. In the case of an alien who is awarded a T visa and was 21 years of age or older on the date the T visa application was filed, the Derivative T visas are available to the alien's spouse and children.	requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • born before 8/22/31, or • under age 21, or • has lived in the US as a qualified alien for 5 years from the date of entry	requirement, or • Hmong or Highland Lao tribal member, or • receives disability benefit, or • has lived in the US as a qualified alien for 5 years from the date of entry, or • under age 21	

2) Use chart 2 for decoding the admission or adjustment codes from INS. Refer also to the INS SAVE Manual M300 (revised 09-00) and the Travel and Identity Documents guide.

CHART 2

Immigration Status	CARES Code	I-94 Codes	I-551 Codes	Other
Cuban/Haitian Entrant	11	212(d)(5) or paroled or C/H Entrant and from Cuba or Haiti or I-551	CU6 or CU7, CH6	Unexpired and expired 1-551 stamp in foreign passport

		stamp and CU6 or CH6		
Deportation Withheld	15	106 or 243(h) or 241(b)(3)	NA	INS Form I-688B annotated 274a.12(a)(10); INS Form I-766, annotated A10; order from an immigration judge showing deportation withheld under 243(h) or removal withheld under 241(b)(3)
Battered Alien	16	AR1, AR6, C20 through C29, CF1, CF2, CR1, CR6, CR7, CX1, CX2, CX3, CX6, CX7, CX8, F20 through F29, FX1, FX2, FX3, FX6, FX7, FX8, IF1, IF2, IR1, IR2, IR3, IR4, IR6, IR7, IR8, IR9, IW1, IW2, IW6, IW7, MR6, MR7, P21, P22, P23, P26, P27, P28; IB3, IB6, IB7, IB8, B11, B12, B16, B17, B20 through B29, B31, B32, B33, B36, B37, B37, B38, BX1, BX2, BX3,	AR1, AR6, C20 through C29, CF1, CF2, CR1, CR6, CR7, CX1, CX2, CX3, CX6, CX7, CX8, F20 through F29, FX1, FX2, FX3, FX6, FX7, FX8, IF1, IF2, IR1, IR2, IR3, IR4, IR6, IR7, IR8, IR9, IW1, IW2, IW6, IW7, MR6, MR7, P21, P22, P23, P26, P27, P28; IB3, IB6, IB7, IB8, B11, B12, B16, B17, B20 through B29, B31, B32,	I-551 stamp in foreign passport with one of the preceding codes; or IMPORTANT: Applicant has filed an I-130 or I-360 petition as a battered alien. INS Form – 797 is documentation of approval of an I-130 application.

		BX6, BX7, BX8 some Z13	B33, B36, B37, B38, BX1, BX2, BX3, BX6, BX7, BX8 some Z13	
Amerasian	17	AM1, AM2, or AM3	AM 6, AM7, or AM8	I-551 stamp in foreign passport with one of the preceding codes
Foreign born Native American	18	S13	S13	I-551 stamp in foreign passport with S13 tribal membership card from federally recognized tribe.
Trafficking Victim	19	T-2. T-3. T-4 and T-5 known as "Derivative T" visas are not currently available in the SAVE system. Call the toll-free trafficking verification line at 1-866-401-5510 to notify ORR of the benefits for which the individual has applied.		Health and Human Service Office of Refugee Resettlement Certification Letter

See also the Travel and Identity Documents Guide for explanations of the types of INS authorization documents.

3.12.1.2 Eligibility Pending Documentation of Immigration Status

CFR 273.2(f)(1)(ii)(B)

A non-citizen is ineligible until acceptable documentation of qualifying immigration status is provided unless:

1. The agency has submitted a document provided by a household to INS for verification. Pending such verification, the agency cannot delay, deny, reduce or terminate the individual's eligibility for benefits on the basis of the individual's immigration status, or
2. The applicant or the agency has requested qualifying quarter information from *SSA*. SSA has responded that the individual has fewer than 40 quarters but is investigating to determine if more quarters can be determined. The agency must certify the individual pending the results up to 6 months from the date of the original determination of insufficient quarters, or
3. The applicant or agency has requested verification from a federal agency for verification of the alien's status. The agency must certify the individual pending the results up to 6 months from the date of the original determination of insufficient quarters.

3.12.1.3 Work Quarter Eligibility

Legal permanent resident aliens who have worked for 40 qualifying quarters are eligible. There is no time limit on this category of eligibility.

A qualifying quarter includes:

1. One worked by a parent of an alien before the alien reached his/her eighteenth birthday, including those quarters worked before the alien was born;
2. One worked by a spouse of an alien during their marriage if the alien remains married to the spouse or the spouse is deceased.

Each person in the applying household is considered an applicant. Therefore, each spouse can claim the quarters of the other spouse, and the children can claim the quarters worked by their parents.

Count both qualifying quarters of work covered by Title II of the Social Security Act, and qualifying quarters of work not covered by Title II. Beginning 1/1/97, a quarter in which the alien received Federal means-tested assistance is not counted as a qualifying quarter.

3.12.1.3.1 Disclosure of Work Quarter Information

The local agency may request information from the SSA about work history for non-covered employment as well as covered employment.

If you are unable to determine work quarters through the SSA automated system, you may accept the applicant's sworn statement of sufficient work, pending verification, provided the applicant has been in the country sufficient time to earn the quarters (totaling the time from the employed applicant and parent and spouse).

The SSA is authorized to release work quarter information on an alien, an alien's parents or spouse to a county/tribal agency (not applicant) for the purpose of determining eligibility, even if the parent or spouse cannot be located or refuses to sign a release statement.

You may also find work quarter information through CARES data exchange screens. To verify alien's work quarters information you can request it in CARES on DXQR. It will be available on DXQC 48 hrs later.

3.12.1.4 Military Connection Eligibility

Qualified aliens who are honorably discharged veterans and who fulfill minimum active duty service requirements in the U.S. Armed Forces, or who are the spouse, unmarried depended child, or unremarried surviving spouse of such a veteran or active duty personnel are eligible for FoodShare benefits with no time limit exception.

A veteran is a person who was honorably discharged after:

1. Serving for 24 months in the U.S. armed forces, or
2. Serving for the period for which the person was called to active duty in the U.S. armed forces, or
3. Serving in the Philippine Commonwealth Army or as a Philippine Scout during WW II, as described in title 107, 38 U.S.C.

An unmarried surviving spouse of a veteran or active duty person is defined as:

1. A spouse who was married to the deceased veteran for at least one year, or
2. A spouse who was married to the deceased veteran before the end of a 15 year time span following the end of the period of military service, or
3. A spouse who was married for any period to the deceased veteran and a child was born of the marriage or was born before the marriage.

3.12.1.5 Battered Alien Eligibility

An alien who is the spouse or dependent unmarried child of a U.S. citizen or alien who has been battered or subjected to extreme cruelty under the following criteria is eligible:

1. Aliens (adults or children) who have been battered or subjected to extreme cruelty in the U.S. by a spouse or a parent, or by a member of the household of the spouse or parent who has failed to intervene to stop the battery or extreme cruelty, but only if there is a substantial connection between such battery or cruelty and the need for benefits
2. Aliens whose child or children have been battered or subjected to extreme cruelty in the U.S. by a spouse or parent of the alien, or a member of the alien's household, and the other parent failed to intervene in the battery or extreme cruelty, and the alien did not actively participate in the battery or cruelty, but only if there is a substantial connection between such battery or cruelty and the need for benefits.
3. Alien children whose parent has been battered or subjected to extreme cruelty in the U.S. by the parent's spouse, or by a member of the spouse's family residing in the same house-hold as the victim parent if the spouse consents to or accepts such battery or cruelty, but only if there is a substantial connection between the battery or extreme cruelty and the need for the public benefit sought.

Do not apply this section if the person responsible for the battery or extreme cruelty continues to reside in the same household or FS group as the person subjected to the battery or cruelty.

3.12.1.6 State Option FoodShare Program (SOFSP)

Effective August 1, 1998, Wisconsin issued benefits to qualifying aliens who were made ineligible for FS under sections 402 and 403 of the Personal Responsibility and Work Opportunity Act (PRWORA). It will not be apparent in CARES whether the non-citizen is receiving federal or state funded FS, as long as status codes, dates of entry, and birth dates are entered correctly.

3.12.1.7 Ineligible & Illegal Aliens

Ineligible aliens include:

1. Visitors and tourists.
2. Diplomats and others in Foreign Service.
3. Persons illegally in the US.
4. Students with student visas.
5. Aliens who refuse to provide the documentation required to verify their qualifying immigration status.

Failure to verify qualifying immigration status means the person is ineligible for FS, not necessarily in the country illegally.

3.12.1.8 Encouraging Application

In order to encourage potentially eligible people to apply for FS, it should be made clear that we will not require those *food* unit members who are not requesting eligibility to furnish an *SSN* or alien documentation.

Local agencies are prohibited from contacting INS regarding the alien status of a food unit member who is not requesting eligibility unless the worker "knows" that the alien is in violation of INS law. "Knowing" is defined as having a determination of the INS or the Executive Office of Immigration Review, such as a Final Order of Deportation. Although an agency may have contact with, or be aware of, the presence of "undocumented" aliens, it may be quite unusual for a local agency to actually "know" that an alien is not lawfully present in the U.S.

USDOJ Immigration & Naturalization Service
10 W. Jackson Blvd.
Room 222
Attn: Immigration Status Verifier
Chicago, IL 60604

Telephone (312) 385-1806
Fax (312) 385-3409

3.12.1.9 Gaining Citizenship

At application and review, applicant non-citizens aliens must be asked if they have become citizens.

3.12.1.10 Derivative Citizenship

A child born outside of the US automatically becomes a citizen of the US when ALL of the following conditions have been fulfilled:

1. at least one parent of the child is a citizen of the US, whether by birth or naturalization, and
2. the child is under the age of eighteen years, and
3. the child is residing in the US in the legal AND physical custody of the citizen parent pursuant to a lawful admission for permanent residence.

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3.13.1 SSN REQUIREMENTS

3.13.1.1 Failure To Comply
3.13.1.2 SSN Application for Newborns
3.13.1.3 Good Cause
3.13.1.4 Religious Exception

7 CFR 273.6

A food unit participating or applying for *FS* must provide the *SSN* of each food unit member who is requesting benefits. Individuals without a SSN must apply for one before certification. If anyone has more than one number, all numbers must be provided.

Explain that failure to provide a SSN will disqualify the person without the SSN. Allow the SSN applicant to participate on a month by month basis, while awaiting receipt of the SSN. S/he must provide the SSN or proof of application within 30 days of the FS application.

A completed Form SSA-2583 (Message from Social Security) is proof of application for a Social Security Number for a newborn FS group member.

3.13.1.1 Failure To Comply

Providing an SSN is voluntary, but if an individual applying for FS refuses to provide an SSN, they will be denied and their income will be deemed to the group. Any food unit member who does not provide a SSN is ineligible. The only exception is if there is good cause for not providing it. Disqualify only the person without the SSN, not the entire food unit.

3.13.1.2 SSN Application for Newborns

For a newborn member, verify the SSN or that an application for an SSN has been made. Do not deny benefits pending issuance of an SSN if you have documented an SSN application has been made. A *parent* of a newborn may begin an SSN application while still in the hospital.

A completed Form SSA-2583 is proof of application for a Social Security Number for a newborn food unit member.

If the group fails to provide an SSN or fails to apply for an SSN, review the good cause exceptions. Deny FS benefits for the baby if the AG refuses to provide an SSN for the baby.

3.13.1.3 Good Cause

Use information from the FS group member, the *SSA*, your agency and any other sources to determine good cause. If the member has applied for a SSN, s/he satisfies the requirement.

Apply good cause if the client makes every effort to supply the information timely.

If s/he can show good cause, allow participation on a month by month basis.

3.13.1.4 Religious Exception

If a FS applicant refuses to provide an SSN for him or herself and/or any other household member based on a sincere religious objection, allow him or her and all otherwise eligible members of the FS group to received FS.

You may check with the SSA or query whether a SSN already exists for the person, and use any existing SSN for verification and matching purposes without further notice to the FS household member.

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3.14.1 IPV DISQUALIFICATION

3.14.1.1 Period of Ineligibility
3.14.1.2 IPV Disqualification for Receipt of Multiple FS Benefits

7 CFR 273.16

A person commits an Intentional Program Violation (*IPV*) when s/he intentionally:

1. makes a false or misleading statement, or misrepresents, conceals or withholds facts; or
2. commits any act that constitutes a violation of the Food Stamp Act, the Food Stamp Program Regulations, or any Wisconsin statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing or trafficking of FoodShare benefits or QUEST cards.

An IPV may be determined by the following means:

1. Federal, state, or local court order,
2. Administrative Disqualification Hearing (ADH) decision,
3. Pre-charge or pretrial diversion agreement initiated by a local district attorney and signed by the FoodShare recipient in accordance with federal requirements, or
4. Waiver of the right to an ADH signed by the FoodShare recipient in accordance with federal requirements.

3.14.1.1 Period of Ineligibility

The following sanction periods are for IPV's committed after 12/01/96. Anyone determined to have committed an IPV is ineligible for:

1. One year for the first intentional program violation.
2. Two years for:
    a. The second intentional program violation or,
    b. The first IPV for which an individual is convicted in a federal, state or local court to have used or received benefits in a transaction involving the sale of drugs.
3. Permanently for:
    a. A third intentional program violation, or,
    b. A first IPV resulting from the conviction of the individual by a federal, state or local court for having used or received benefits in a transaction involving the sale of firearms, ammunition, or explosives, or
    c. A second IPV resulting from a conviction in a federal, state or local court involving trafficking benefits for an aggregate amount of $500 or more.

Only the person determined to have committed an IPV is ineligible. Other members of the *FS* group may continue to be eligible.

The individual must be notified in writing once it is determined that s/he is to be disqualified. Begin the disqualification period no later than the second month following the date the individual receives written notice of the disqualification. The disqualification period must continue uninterrupted until completed regardless of the eligibility of the disqualified individual's household.

If a court finds an individual guilty of Intentional Program Violation, the term of the disqualification period and the disqualification begin date must comply with the court order. If the court order does not specify a disqualification period, the disqualification period for the IPV is in accordance with the schedule above. If the court order does not specify the date for the disqualification period to begin, the disqualification period should begin in accordance with the provisions in the paragraph above, but within 45 days of the court decision.

For all IPV disqualifications, begin the disqualification period in the first possible payment month regardless of whether the person becomes a non-participant or remains in the FS group. Do not pend the disqualification period until the disqualified individual reapplies.

If a non-participating person with an IPV disqualification does reapply for FS, apply any remaining periods of ineligibility. If the ineligibility period has expired when the person reapplies, s/he may be eligible to receive benefits.

Example 1: John is notified of his one-year IPV disqualification in January, effective February 1. He doesn't request FS for the first nine months of his period of ineligibility. If John reapplies for FS in November and is determined otherwise eligible, he will still be ineligible for FoodShare benefits for the three remaining months of his disqualification period. If he waits until February to reapply, the disqualification period will have expired and he may be determined eligible for FS.

A pending administrative disqualification hearing or prosecution does not affect the person's eligibility. Do not take any adverse action in the matter before the case is resolved. Continue to act on other changes in income and circumstances.

Do not impose a disqualification period retroactively on an individual who has committed an IPV, but who had not been disqualified timely. Disqualify a FS group member only to the extent that the disqualification period has not elapsed.

Example 2: You determine in December that a person should have been disqualified in June for 1 year. Disqualify the person for the remaining 5 months.

3.14.1.2 IPV Disqualification for Receipt of Multiple FS Benefits

A person who makes a fraudulent statement about his or her identity or place of residence in order to receive multiple FS benefits simultaneously shall be ineligible for a period of 10 years.

Before imposing the 10 year disqualification period:

1. A finding of fraud must be made by a state agency, **AND**
2. A conviction of fraud must be entered by a state or federal court, **AND**
3. The disqualification period must be ordered by a state or federal court.

Do not use an administrative disqualification hearing decision, or a Pre-Trial Diversion Agreement as a basis for imposing this penalty. If the IPV determination is not made according to the above conditions, the disqualification period must comply with the terms specified in 3.14.1.1.

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3.15.1 STUDENT ELIGIBILITY

7 CFR 273.5

An institution of higher education requires a *HS* diploma or equivalency certificate for enrollment, or is a regular college or university degree program that does not require a high school degree as a condition of enrollment. It does not include any

adult basic education program. Examples are business, vocational, trade and technical schools, colleges, and universities.

Anyone, age 18-49, enrolled half time or more, in an institution of higher education is ineligible, unless s/he meets one of the following criteria.

1. Employed at least 20 hours a week at any wage.
2. Self employed at least 20 hours a week and earning at least minimum wage for 20 hours a week ($5.15 x 20 = $103 a week).
3. Both employed and self-employed at least 20 hours a week and earning at least minimum wage for 20 hours a week (5.15 x 20 = $103 a week).
4. Participating in a Title IV or state work study program.
    a. Continue the exemption until the end of the month in which the school term ends, or the student refuses to do his assigned work. A student who has stopped working during the school year because the work study funding has run out would continue to be classified as an eligible student until the end of the school term.
    b. The exemption does not cover school breaks of longer than one month, unless the student is participating in work study during the break.
5. Responsible for the care of a dependent household member under age 6. If 2 people exercising *parental control* are in the food unit, allow student status to only 1 person per child .
6. Responsible for the care of a dependent household member age 6-12 if the agency determines adequate child care is unavailable. If 2 people exercising parental control are in the food unit, allow student status to only 1 person per child.
7. Is a single parent enrolled in an institution of higher education on a full-time basis (as determined by the institution) and is responsible for the care of a dependent food unit member under the age of 12. To apply this provision there must be only one biological or adoptive parent, or *stepparent* in the same food unit as the child. If there is no biological or adoptive parent or stepparent living with the child, another full-time student living with the child may qualify as an eligible student under this provision if the student has parental control of the child and does not live with his or her spouse .
8. Receiving a Tribal *TANF* cash payment, *W-2* cash payment, or working in a W-2 Trial Job. Assigned to or placed in an institution of higher learning by *WIA*.
9. Enrolled in a W-2 employment position.
10. Physically or mentally unfit for gainful employment. Verify the claim if it's not clear. Receipt of temporary or permanent disability benefits, a statement from a physician, or certified psychologist is appropriate verification.
11. Participating in an on-the-job training program. This exemption applies only during the period of time the person is being trained by the employer.

12. Is assigned to or placed in an institution of higher education through or in compliance with the requirements of *FSET* .

A student is enrolled as of the 1st day of the school term through normal scheduled class periods, vacation, and recess unless s/he:

1. Graduates.
2. Is suspended, expelled, or drops out.
3. Doesn't intend to register for the next school term (excluding summer school).

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3.16.1 WORK REQUIREMENTS

All Work Program and *ABAWD* (Able Bodied Adults Without Dependents) policy is now contained in the *FSET* Manual at http://www.dwd.state.wi.us/dws/manuals/fset/default.htm

The following policies can be found in the FSET Manual:

FSET Exemptions (4.4.0)

Good Cause for Non-participation in FSET (5.1.1)

Voluntary Quit Policy and Process (5.5)

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3.17.1 CHILD SUPPORT COOPERATION

3.17.1.1 Procedure for NCPs
3.17.1.2 Cooperation Criteria
3.17.1.3 Good Cause For Non-cooperation
3.17.1.4 Regaining Eligibility

7 CFR 273.11(o)

As a condition of participation in the *FS* Program, require all *adult* FS applicants and recipients to cooperate with the Child Support Agency (*CSA*) if they are the

biological or adoptive parent , or living with and exercising parental control over, a child under the age of 18 who has an absent parent.

Whether the person is cooperative or not is determined by the CSA and that information is communicated to the FS agency.

3.17.1.1 Procedure for NCPs

If it becomes known at application, review or report of change that an applicant or recipient is a non-custodial parent, contact the CSA by telephone, e-mail, fax or other means of communication and ask for the person's cooperation status. The CSA will respond within seven days.

If a non-cooperative *NCP* becomes cooperative, it is the responsibility of the NCP to report the change to the FS worker and obtain verification. The CSA will provide verification to the NCP or the FS agency if requested by the NCP. Until verification is received, continue to consider the NCP to be non-cooperative.

3.17.1.2 Cooperation Criteria

Deny eligibility to an adult FS applicant or recipient who fails to cooperate with the Child Support Agency without good cause under the following criteria:

1. A custodial parent, including a biological or adoptive parent, or any person living with and exercising parental control over, a child under the age of 18 with an absent parent, must cooperate with the CSA to:
    a. Establish paternity,
    b. Establish or enforce a support order, and
    c. Obtain any other payments or property to which the child is entitled.
2. An alleged father of a child under the age of 18 must cooperate with the CSA to establish paternity.
3. A non-custodial mother of a child under the age of 18 must cooperate with the CSA to establish paternity.
4. Any non-custodial parent of a child under the age of 18 must cooperate, as determined by the CSA and DHFS, with the CSA to establish or enforce a support order for the child.
5. A parent who is/was court ordered to pay child support and is delinquent in making those payments will be denied FoodShare benefits regardless of the age of the child and regardless of whether there is a current support order unless:
    a. The delinquency balance equals less than three months of the court ordered payment amount.
    b. The court or county CSA is allowing the parent to delay child support payments.

c. The parent is in compliance with a payment plan approved by the county CSA.

Assume the applicant is cooperating unless an alert or notice of non-cooperation is received from the CSA. If a notice of non-cooperation is received continue to code the person as non-cooperative until a notice and verification of cooperation is received by the CSA.

If the case was closed and the most recent status was non-cooperation when the person re-applies, continue to code the person as non-cooperative until notice of cooperation is received from the CSA.

If a parent or alleged parent is ineligible for the FS Program because of his or her non-cooperation with the CSA, *deem* that person's income and expenses to determine the FS group's calculation of eligibility.

3.17.1.3 Good Cause For Non-cooperation

An individual who fails to cooperate with the CSA agency, can request a good cause waiver of their non-cooperation. The local agency decides whether to allow the waiver.

The following are good cause for non-cooperation:

1. It can be reasonably anticipated that the FS applicant/participant's cooperation will result in:
    a. Physical or emotional harm to the child and/or parent, including threats of child kidnapping or domestic abuse, or
    b. Making it more difficult for the parent or child to escape domestic abuse or risk of further abuse.
2. An adoption petition for the child(ren) in question has been filed with a court.
3. The child was conceived as a result of incest or sexual assault.
4. The parent is being assessed by a public or private social agency to determine whether his/her parental rights should be terminated.

If the denial of a good cause waiver is taken to a fair hearing in a joint FS and *W-2* case, the decision in the FS fair hearing shall supersede the fact finding decision in the W-2 case.

3.17.1.3.1 Good Cause Notice

A Good Cause Notice must be provided all clients at application and at any time a new child is added to the FS AG. This notice describes the right to refuse to cooperate with good cause in establishing paternity and securing medical support. Clients who wish to claim good cause must tell their worker. The worker

will give them a Good Cause Claim form which explains how to claim good cause. Clients may also ask for the Good Cause Claim form to help them decide whether or not to claim good cause for not cooperating.

3.17.1.4 Regaining Eligibility

A person can regain eligibility for the FS program by cooperating with the CSA, including but not limited to, paying court-ordered child support payments as set out above.

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3.18.1 FLEEING FELONS AND PROBATION AND PAROLE VIOLATORS

7 CFR 273.11(n)

Deny *FS* Program eligibility to persons who are fleeing felons and/or probation/parole violators.

A fleeing felon is a person who is fleeing to avoid prosecution or custody/ confinement after a felony conviction. A probation and parole violator is a person who is in violation of conditions of probation or parole imposed by state or federal law.

Obtain felon information by asking the client at application or review if any household members meet the above criteria. Document the response in case comments.

Upon the written request of a local, state, or federal law enforcement officer when a food unit member is fleeing to avoid prosecution or custody for a crime that would be classified as a felony or is violating a condition of probation or parole, you must provide an address, social security number, and if available, a photograph to the law enforcement official. This also applies to other food unit members who have information necessary for the apprehension or investigation of another member who is fleeing to avoid prosecution or is violating a condition of their parole.

FS agencies must not require that a photo ID be required as a condition of eligibility for FS. You are only to provide a photograph in the above circumstances if the food unit member happened to use a photo ID to verify their identity. If the ineligible person is still in the home, count his or her income and expenses as if s/he were still a FS group member.

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3.19.1 DRUG FELONS

3.19.1.1 Applications
3.19.1.2 Ongoing cases
3.19.1.3 Regaining Eligibility

7 CFR 273.11(m)

For *FS* eligibility purposes, a drug felon is a person (adult or a *minor*) who is convicted of a felony in a state or federal court involving the possession, use or distribution of a *controlled substance* within the last 5 years. Convicted drug felons must have a negative drug test result (pass) to become eligible for FS. Drug felons that test positive (fail) for controlled substances will be sanctioned.

The cost of drug testing must be paid for by the local agency. If the drug felon passes the drug test do not test again at each review. Drug tests required by another credible source may be used if taken within the last 30 days. If a previous drug test result is offered but is older than 30 days, require a new drug test. Examples of credible sources include, but are not limited to, probation officers, employers, FEPs, etc.

A FoodShare applicant or recipient must state in writing whether s/he or any member of his/her household has been convicted in any state or federal court of a felony for possession, use, or distribution of a controlled substance. The customer's signature on the *CAF* is sufficient to satisfy this requirement.

3.19.1.1 Applications

Applicants who meet the definition of a drug felon and agree to take a drug test will be tentatively approved until a drug test is taken. If the individual passes this test, s/he remains eligible. If the applicant refuses to take a drug test, s/he will be denied indefinitely until s/he agrees to take a drug test.

If the drug test result is positive, the individual is ineligible for 12 months from the next possible payment month. If the drug test result is negative, the individual remains eligible. Do not retest the individual at review.

Applicants who miss a scheduled drug test should be sanctioned immediately. If the applicant then agrees to take a test within the application period, schedule another one. If s/he takes and passes this test, remove the sanction and supplement any benefits missed. If the applicant misses a drug test and requests another test after the initial application period, set up the test. If s/he passes this test, approve benefits for the next possible payment month.

For one person food unit, a missed drug test appointment would result in a denial or termination of the FS case. A new application (2.1.1) would be required if the individual wanted a new opportunity to take a drug test.

Example: Jane is applying for FS for herself and her two *kids* on June 19. She admits she is a convicted drug felon and agrees to take a drug test. The worker schedules the drug test for June 25th. No other verification is needed by June 21, so the worker processes the application and Jane is found eligible for June, July, and August FS benefits. Results from the drug test are received by the worker on July 2nd. Jane failed the drug test. Jane will be sanctioned effective August 1 for 12 months. Her two children remain eligible for FS.

3.19.1.2 Ongoing cases

If a felony drug conviction is reported for an eligible FS member at review or any other time, immediately schedule the individual for a drug test. Refusal to take a drug test will result in the felon being removed from the FS assistance group indefinitely until the individual agrees to take the test. If a felon tests positive on a drug test, deny FS for the individual for 12 months starting in the next possible benefit month.

Example: Bob is receiving FS with his girlfriend and her daughter. He was convicted of a drug felony on June 29 and reported this at his July review on July 12th. He was placed on probation as a result of his conviction. He refuses to take a drug test. Bob will be sanctioned until he agrees to take a drug test. If he had agreed to take the test and failed, he would be sanctioned in the next possible benefit month for 12 months.

3.19.1.3 Regaining Eligibility

To regain eligibility after 12 months the drug felon must reapply and submit to another drug test. If the individual does not submit to a test, continue to deny the individual until a test is agreed to. If the person agrees to take a test, continue to deny the individual until the results are received.

If the second drug test is negative, the person may be eligible for the FS Program as of the first of the month following the month in which the individual agreed to take the test. If the second test results are positive, the person is ineligible for the FS program for an additional 12 months. As with other sanctions that end, the individual must re-request FS. The individual will not automatically be eligible when the sanction period ends.

If the ineligible drug felon is still in the home, *deem* that person's income and expenses to the FS group.

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3.20.1 QC SANCTIONS

FoodShare recipients that refuse to participate in a Quality Control (*QC*) review are sanctioned from FoodShare Wisconsin. The entire food unit is sanctioned if any individual refuses to participate in a QC review.

There are two types of QC sanctions:

1. State QC review sanctions
2. Federal QC review sanctions

Food Units with a state QC review sanction are sanctioned in the next possible payment month through 95 days after the end of the annual quality control review period (September 30), or until the unit member(s) cooperate, whichever occurs first.

Food Units with a federal QC review sanction are sanctioned in the next possible payment month. The sanction extends through 7 months after the end of the annual quality review period (September 30) or until the food unit member(s) cooperate.

Example: Susan's *FS* case is sampled for a QC review of 6/04 FS benefits. State QC reports to the agency that Susan refuses to cooperate with the State QC review. Susan's food unit is ineligible until 01/04/05, or until she cooperates with the State QC review, whichever occurs first

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4 FINANCIAL REQUIREMENTS

4.1 GENERAL FINANCIAL ELIGIBILITY

4.1.1 General Financial Eligibility

7 CFR 273.9

Eligibility and benefit calculations for *FS* are based on prospectively budgeted monthly income using estimated amounts. The income to be budgeted is identified through the interview (2.1.3) and the verification (1.2.1) process. Only include income actually available to the group. Do not budget income until the first month in which it is received. The worker must use the best-verified information available when determining the best estimate of income.

Disregard means do not count, exempt, or exclude. Disregard any gain or benefit that is not in the form of money paid directly to the household. Examples of these in-kind benefits are meals, clothing, housing, and garden produce.

Deem means allocate income and/or expenses to the food group from an individual not in the food group. Deeming occurs regardless of whether the allocated amounts change hands. Deeming may occur for sponsored aliens, or for members of the food unit, who are not included in the food group due to non-financial ineligibility.

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4.2 CATEGORICAL ELIGIBILITY

4.2.1 Categorical Eligibility

4.2.1.1 Case Processing
4.2.1.2 Special Circumstances
4.2.1.3 Transitional FoodShare Benefits

7 CFR 273.2(j)(2)

Most FoodShare groups are considered categorically eligible if their gross income is at or below 200% FPL and the language describing "JobNet" Services, a partially *TANF* funded service that all food unit members are authorized to receive, is issued to the group on a *CARES* generated notice of decision. The following text will appear on *FS* approval and change notices.

"Wisconsin JobNet is available to you. JobNet is the single largest source of job openings in Wisconsin, you can access JobNet via the internet at

http://www.dwd.state.wi.us/jobnet/mapWI.htm or on touch screen monitors at your local job center. To locate a Job Center nearest you call 1-888-258-9966."

The FS group is not categorically eligible if any member of its food unit loses FS eligibility because s/he:

1. Total gross income is above 200% (8.1.4),
2. Was disqualified for an *IPV* (3.14.1)or,
3. Was disqualified due to a drug felony sanction (3.19.1).

Food Units that contain a member who is sanctioned for an IPV or Drug Felony continue to be eligible to receive TANF JobNet services so assets are excluded and not deemed. The sanctioned food unit member's income continues to be deemed.

If the household's gross income goes over 200% of FPL, the case will close. A negative notices will be sent with reason code 013: Income reported exceeds the program eligibility standard.

Do not test a categorically eligible FS group against the FS asset, gross income and net income limits. Calculate the group's net income to determine its allotment amount.

Categorically eligible FS groups with zero benefit allotment amounts will be denied. The denied or closed FS group can file a new application and complete an intake interview if they wish to be reconsidered for FS eligibility.

4.2.1.1 Case Processing

CARES will deny or close the FS case automatically when the FS group's adjusted income is greater than the allotment amount. CARES will issue a closure notice that will include reason code 557: "Your net income exceeds the level to receive FoodShare benefits."

If the group re-applies for FS, after being closed one day or more, the group must be assessed for priority service, have a new filing date set, and complete an intake interview.

4.2.1.2 Special Circumstances

Food units with zero FS benefits in their initial benefit month and a FS allotment greater than 0 in the second month, will be denied in the first month and opened in the second month. If the benefit calculation is zero for the first two months, the case will be denied. The 12- month FS certification period will begin the month of

application even though the first month may be denied because the allotment amount is zero.

Example: Barry applied for FS in August after he lost his job. In the FS benefit determination for August and September, Barry received zero for August (due to excess income) and $98 in September. His certification period starts in August

4.2.1.3 Transitional FoodShare Benefits

If the FS benefit is reduced to zero for the month between the benefit determination month and the month TFS begins the case will remain open.

Example: Donna got a job in July and her last *W-2* check was issued in August. Her TFS benefit starts in September. Her income from her new job caused her allotment to be reduced to zero for August. The case remains open during the month of August and her TFS benefits start in September.

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4.3 INCOME

4.3.1 Income (General)

7 CFR 273.9(a)

Participation in the *FS* Program is limited to those food units whose income is determined to be a substantial limiting factor in permitting them to obtain a more nutritious diet. Income is any gain or benefit that can be used to purchase goods and services.

Income of a non-food unit member is not budgeted as income for the food unit. This is true whether the income is earned or unearned. If the income of a non-food unit member is directly deposited into an account jointly owned by a food unit member, it is counted as unearned income for the food group.

Example: Sam and Betty are receiving FoodShare benefits. Sam is a reservist in the army and has been called to active duty in a combat zone. He will be living away from Betty. He will now receive army pay which will be direct deposited into a joint account that Sam and Betty share. Sam's income will be budgeted as unearned income to the food unit.

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4.3.2 Earned Income

4.3.2.1 Counted Earned Income
4.3.2.2 Disregarded Earned Income

Earned Income is gained from the performance of service, labor, or work. Earned income includes, but is not limited to salaries, wages, commission, tips, or payments for services. Count earned income only for the month in which it is received.

Example: Bill works in February but does not receive his pay for those hours until March. Count those wages for March.

4.3.2.1 Counted Earned Income

Count the following sources of income as earnings in the month received:

1. Wages, tips, or salaries, including but not limited to hourly wages and piecework
2. Self-employment earnings (4.3.3)
3. Recurring profit sharing payments
4. Wages withheld at the requests of the employee as income in the month it would normally have been received
5. Advances on wages
6. Any money received for accrued sick days and severance pay from an employer
7. Any money received as payment for baby-sitting or child care as self-employment income if the care is provided in the *FS* group's home. If a self-employed child care provider also provides meals, they may be entitled to income deductions. If the care is not provided in the member's home, count the payments as regular earned income.
    1. Any child care payment paid by an outside source to a food unit member is treated as earned income. In situations when a food unit member pays another food unit member from his/her own pocket, such child care payments are not counted as earned income because the money is moving between food unit members.
8. Attendant care payments provided by an outside source are treated as earned income for the attendant if the care is for a disabled household member
9. Money received form the sale of a person's blood or plasma
10. Any training allowance from a vocational or rehabilitative program recognized by a governmental agency that is not an expense reimbursement, unless the source is listed as an exception in Section 4.3.2.2.
11. Earnings from *WIA* On The Job Training when the earner is either:

1. At least 19 years old; or,
2. Less than 19 years but not under the parental control of a member of the same food unit.

12. Military Pay. Military pay cycles affect how income is counted. Count any income received on the last day of a month by an active member of the military as income in the following month. Some military personnel are eligible for a supplemental payment if they meet the FoodShare gross income limits. The FSSA allowance is considered gross earned income and is to be budgeted like other military income. However, it appears on a different line on the military paycheck.
13. Contractual Pay. Contractual income guidelines usually apply to teachers and other school employees. Contractual income which is received from employment covered by an annually renewed contract are averaged over a 12 month period, even if wages are only paid during the work period. Average the income even if predetermined non-work periods are in the contract, such as vacations or sabbaticals. Contract income that is not the food unit's annual income is averaged over the period the income is intended to cover.

Example: Sara is a student and works part-time. She enters into a contract with head of the chemistry department to do the bibliography and annotations on his latest book for the sum of $800.00. Under the terms of the contract, Sara must complete the work within three months. Pro-rate the $800.00 in income over three months.

14. Income from piecework or hourly work is not contractual income. Do not treat it as such.
15. *Migrant* Farmworker Income. To determine migrant farm income:
    a. Request a copy of any existing work agreement,
    b. Contact the employer when necessary to find the hours of work and wage rate,
    c. Ask the migrant how many hours s/he and members of his/her family expect to work and the wage rate they expect to be paid.

    Most migrants work in fairly stable work environments such as canning factories or under some type of contract. In these cases, determine the employer's usual pay levels and pay periods, and project the hours and the rate of pay expected. Do not assume, without supporting documentation or collateral contacts, that a migrant farm worker works 40 hours a week.

If the earnings received by the migrant worker is from employment other than agricultural income, it will be budgeted in the normal procedure on AFEI. Normal procedures are also used for all unearned income and assets.

4.3.2.2 Disregarded Earned Income

“Disregard” means “do not count.” When you are calculating the total amount of income a person has received, you should exempt or exclude any of the following kinds of income:

Disregard the following sources of income:

1. Wages withheld as a general practice by an employer (even if in violation of law) until actually received by the employee
2. Earned Income Tax Credit (*EITC*) payments
3. Earned income of any person 17 years or younger, who is a food unit member under *parental control* of an adult food unit member and is enrolled in an elementary, high school, technical school, or university. This includes GED classes, and home schools recognized or supervised by the state or local board of education. Disregard the income until the month following the month in which the person turns 18 years of age. These provisions apply to semester and vacation breaks provided the student plans to return to school following the break.
4. Reimbursements or flat allowances for job or training related expenses. Expenses may be for travel, daily allowance, dependent care, uniforms, and transportation to and from a job or training site, including travel expenses of migrant workers.
5. Reimbursements for a volunteer's out-of-pocket expenses incurred in the course of his/her volunteer activities.
6. Income from Title I of the Domestic Volunteers Services Act only when the volunteer received FS at the time s/he joined the Title I program. Interruptions in FS participation do not alter this disregard. Some individuals were receiving the disregard for a Title I program at the time of conversion to the Food Stamp Act of 1977. Continue the disregard for the same time frame they said they would volunteer for at the time of conversion. If these exceptions do not apply, count Title I income as earned income.

   Title I programs include:

   a. AmeriCorps**VISTA*
   b. University Year for Action
   c. Urban Crime Prevention Program

7. All Title II program income. These programs include:

   a. Retired Seniors Volunteer Program (RSVP)
   b. Foster Grandparents Program
   c. Senior Companion Programs

8. Income from the Title V Senior Community Service Employment Program (SCSEP) of the Older Americans Act. Organizations that receive Title V include, but are not limited to, the:

   a. Experience Works Program.
   b. National Council on Aging.
   c. National Council of Senior Citizens.
   d. American Association of Retired Persons.

   e. U.S. Forest Service.
   f. National Council on Black Aging.
   g. National Urban League.
   h. National Association for Spanish Speaking Elderly.

9. Any allowances, earnings (except On The Job Training) or payments to FS group members participating in WIA programs, including Jobs Corps. Count earnings from WIA On The Job Training when the earner is either:
   a. At least 19 years old; or,
   b. Less than 19 years but not under the parental control of a member of the same food unit.
10. On The Job Training payments from the JTPA Summer Youth Employment and Training Program.
11. Allowances, earnings, and payments to participants in the **National & Community Service Trust Act of 1993 (NCTSA).** Programs included in this act are:

AmeriCorps Network of Programs - The network of programs developed to engage Americans in a year or two of national service in exchange for an education award of $4,725 per year of completed service.

The AmeriCorps Network of Programs include:

- AmeriCorps*USA - for participants 17 years and older;
- AmeriCorps - for participants 18 years and older; and
- AmeriCorps*NCCC - for participants 16 to 24 years of age.

See number 6a in 4.3.2.2 above to contrast with AmeriCorps*Vista, which is different.

There is no longer an On the Job Training (OJT) component of AmeriCorps. All AmeriCorps income is exempt for FoodShare benefits.

AmeriCorps programs include:

- Serve-America - The program involves school aged youth in community service, recruits adult volunteers in the schools, and provides service training in elementary and secondary schools.
- Higher Education Innovative Projects - Institutions of higher education integrate service into the curriculum, develop teacher and volunteer training programs, and involve students in community service.
- American Conservation and Youth Service Corps -Teenagers and young adults receive job and skill training, living allowances and scholarships as they provide community service. Special corps members, such as senior citizens, may be included if they provide special skills to the program.

- National and Community Service Programs - Employees are age 17 or older and work full-time or part-time. They received education or housing benefits upon completing their term.

12. Work study by a student enrolled in an institution of higher learning.

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4.3.3 Farming and Other Self Employment Income

4.3.3.1 Business Operations
4.3.3.2 Identifying Farms and Other Businesses
4.3.3.3 Capital and Ordinary Gains
4.3.3.4 Rental Income
4.3.3.5 Royalty Income
4.3.3.6 Calculate IM Income
4.3.3.7 Anticipating Earnings

7 CFR 273.11(a) and (b)

Self-employment income is income earned directly from one's own business rather than as an employee with a specified salary or wages from an employer. Self-employment income is reported to the IRS as farm, self-employment, rental, or royalty income. If it is not reported to the IRS, the eligibility worker must judge if it is self employment income. All self-employment income is earned income, except royalty income and some rental income. Generally, self-employment is income from operating a business, related to the purpose for which the business was set up.

Example: Babysitting in someone else's home is regular employment. Providing *child* care in your own home or business is self-employment.

4.3.3.1 Business Operations

A business is an endeavor engaged in as a means of livelihood such as a trade, profession or other operation that produces income, including farm and rental income.

A business is operating when it is ready to function for its specific purpose. It is operating from when it first opens and generally continues uninterrupted to the present.

IM income is income from self-employment that is adjusted when determining eligibility and benefits for economic assistance.

A business is operating if it is ready for business, even if there are no sales and no work is being performed. Thus, a seasonal business operates in the off season (unless there has been a significant change in circumstances). A business isn't operating when it can't function in its specific purpose.

Example: A mechanic cannot work for 4 months because of an illness. S/he may claim the business was not operating for those months.

4.3.3.2 Identifying Farms and Other Businesses

Identify a farm or other business by these criteria:

1. **By Organization**
   It is organized in 1 of 3 ways:
   a. A sole proprietorship is an unincorporated business owned by 1 person.
   b. A partnership exists when 2 or more persons associate to conduct business. Each contributes money, property, labor, or skills, and expects to share in the profits and losses. Partnerships are unincorporated.
   c. A corporation is a legal entity authorized by a state to operate under the rules of its charter. A corporation:
      i. Is taxed as an entity rather than its owners being taxed as individuals.
      ii. Provides only limited liability. Each owner's loss is limited to his/her investment, while each owner of an unincorporated business is also personally liable.

2. **By IRS Tax Forms**
   A self-employed person earning more than $400 annual net income must file an end-of-year federal tax return. Anyone who owes more than $400 in taxes at the end of the year must file quarterly estimates.

   These are the IRS tax forms for reporting self-employment income. The source of income for a sole proprietorship is also listed for Form 1040.
   a. Form 1065 - Partnership
   b. Form 1120 - Corporation
   c. Form 1120S - S Corporation
   d. Form 1040 - Sole Proprietorship
      i. Schedule C - Business (nonfarm)
      ii. Schedule E - Rental and Royalty
      iii. Schedule F - Farm

3. **By Employee Status**

A person is an employee if s/he is under the direct "wield and control" of an employer. The employer has the right to control the method and result of the employee's service.

A self-employed person earns income directly from his/her own business, and:

a. Does not have federal income tax and FICA payments withheld from a paycheck.
b. Does not complete a W-4 for an employer.
c. Is not covered by employer liability insurance or worker's compensation.
d. Is responsible for his/her own work schedule.

Examples of self-employment are:

a. Businesses that receive income regularly, for example, daily, weekly, or monthly, such as – merchant; small business; commercial boarding house owner or operator; owner of rental property
b. Service businesses that receive income frequently and, possibly sporadically, such as - craft persons; repair persons; franchise holders; commission sales persons (door-to-door sales, delivery, etc.); subcontractors; sellers of blood and blood plasma.
c. Businesses that receive income seasonally, such as - summer or tourist oriented business; seasonal farmers; (custom farm machine operators); *migrant* farm work crew leaders; fishers, trappers, or hunters; roofers
d. Farming, including income from cultivating the soil or raising or harvesting agricultural commodities, earned by full-time, part-time, or hobby farming.
e. Fishing, crayfishing, or lobstering with gross annual proceeds or expected income of $1,000 or more.

4.3.3.3 Capital and Ordinary Gains

Capital and ordinary gains from selling assets: IRS taxes each with a different tax rate. However, include the entire gain or loss from IRS form 4797 in IM income.

4.3.3.4 Rental Income

7 CFR 273.9(b)(1)(ii)

Rental income is rent received from property owned or controlled. IM income includes gross receipts minus allowable business expenses. Rental income is earned if the owner actively manages the property on an average of 20 or more hours a week. If the owner does not report it to the IRS as self-employment income, add "net rent" to any other unearned income.

a. When the owner is not an occupant, "net rent" is the total rent payment(s) received minus the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes.
b. When income is received from a multi-unit property and the owner lives in one of the units, compute "net rent" as follows:
    i. Add the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes common to the entire operation.
    ii. Multiply the number of rental units by the total in step (a).
    iii. Divide the result in (b) by the total number of units, to get the proportionate share.
    iv. Add the proportionate share to any operating costs paid that are unique to the rental unit. This equals total expenses.
    v. Subtract total expenses from total rent payments to get net rent.

4.3.3.5 Royalty Income

Royalty income is unearned income received for granting the use of property owned or controlled. Examples are patents, copyrighted material or natural resources. Royalties often are a percentage of receipts from using the property or an amount for each unit produced.

4.3.3.6 Calculate IM Income

Calculate IM income either by:

1. Averaging income using IRS tax forms completed for the previous year, or
2. Calculating anticipated earnings using the Self Employment Income Report Forms (*SEIRF*)

4.3.3.6.1 Averaging Income

Average self-employment income that represents a food unit’s yearly income over a 12 month period, even if the income is received within only a short period of time during that 12 months.

4.3.3.6.2 Part Year Income

Average self-employment income that is intended to meet the food unit’s needs for only part of the year over the period of time the income is intended to cover.

Example: A self-employed vendor works only from the beginning of May through the end of August and supplements this income from other sources during the balance of the year. Average his self-employment income over a 4-month period rather than a 12-month period.

4.3.3.6.3 IRS Tax Forms

Use IRS tax forms to average income only if:

1. The business was in operation at least 1 full month during the previous tax year,
2. The business has been in operation 6 or more months at the time of the application, and
3. The person does not claim a change in circumstances since the previous year.

If all 3 conditions are not met, use SEIRFs to calculate the anticipated earnings. If the IRS tax forms are not completed, ask the client to complete the appropriate form(s). Do not fill out any IRS tax form yourself. This is solely the client's responsibility.

4.3.3.6.4 Worksheets

To calculate IM income, use the self-employment income worksheets to adjust the income figure on the IRS tax forms. The worksheets identify net income and depreciation (also known as depletion or amortization). Add back in depreciation on the IRS form as indicated on the worksheet.

Each worksheet is divided into 3 columns:

1. The first column describes what is on the line.
2. The second column gives the location of the values to be entered in the third column.
3. The third column sets the calculation to be done.

For each operation, select the worksheet needed. Use the provided tax forms and/or schedule, to complete the worksheet.

The worksheets are:

1. Sole Proprietor
    a. IRS Schedule C, Form 1040: Nonfarm Business Income
    b. IRS Schedule E, Form 1040: Rental & Royalty Income
    c. IRS Schedule F, Form 1040: Farm Income
    d. IRS Form 4797: Capital & Ordinary Gains
2. Partnership
    a. IRS Form 1065: Partnership Income
    b. IRS Schedule K-1, Form 1065: Partner's Share of Income

3. Corporation
   IRS Form 1120: Corporation Income
4. Subchapter S Corporation
   a. IRS Form 1120S: Small Business Corporation Income
   b. IRS Schedule K-1, Form 1120S: Shareholder's Share of Income

Next, divide IM income by the number of months the business was in operation, including partial months, during the previous tax year. The result is monthly IM-income. Add this to the food unit's other earned and unearned income. If monthly IM-income is a loss, add zero to the income that is not self-employment income.

When a food unit has more than 1 self-employment operation, the losses of one can offset the profits of another. However, do not use losses from self-employment to offset other earned or unearned income, except farm income. Offset farm income losses with any other countable income only if the farmer received or anticipates receiving annual gross proceeds of $1,000 or more from the farm operation.

If more than 1 worksheet is used because there is more than 1 operation, combine the result of each worksheet into 1 monthly IM income amount. Then add that total to any other income. A salary or wage paid to a food unit member is an allowable business expense, but also is earned income to the payee.

4.3.3.6.5 Self Employment Income Report Form (SEIRF)

The SEIRF simplifies reporting income and expenses when earnings must be anticipated. The client must enter retrospective and/or expected income information on the SEIRF to determine an average. Budget this average prospectively.
It is modeled after IRS Form 1040, Schedule C. Use it to report income for any type of business with any form of business. However, farm operators may find it easier to complete the IRS tax form instead when income and expenses are more complex.

4.3.3.7 Anticipating Earnings

Calculate self-employment income based on anticipated earnings when:

1. The business was not in operation for at least one full month in the prior tax year.
2. The business has not been in operation for six or more months at the time of the application.
3. Past circumstances do not represent the present.

A change in circumstances is any change that is expected to impact income or any consistent change in income over time. The person is responsible for reporting changes.

Examples of changed circumstances are:

1. The start of a business.
2. The owner sold or simply closed the business.
3. The owner sold a part of his business, for example, 1 of 2 retail stores.
4. The owner is ill or injured and will be unable to operate the business for awhile.
5. A plumber gets a contract on a new apartment complex. The job will take 9 months and his/her income will increase.
6. A farmer suffers unusual crop loss due to the weather or other circumstances.
7. There's a substantial cost increase for a particular material causing less profit for each unit sold.
8. Sales, for an unknown reason, are consistently below previous levels. The relevant period may vary depending on the type of business (consider normal sales fluctuations).

The date of an income change is the date you agree a change occurred. You must judge whether the person's report was timely to decide any over- or underpayment.

Changes are effective according to the normal prospective budgeting cycle. Do not recover payments made before the agreed on date. Apply this to clear cut business beginnings, endings, and fluctuations.

To anticipate earnings:

1. Average IM income over the past months beginning when circumstances changed if 6 or more months have passed since the change.
2. Calculate a cumulative monthly average when the change was less than 6 months ago, and when a new business has been operating for less than 6 months.
3. Use the 6 months' average until the person reports a completed IRS tax form for the year during which the SEIRF average was established or a change in circumstances occurs at or between reviews.

Example 1: Jessica applies for *FS* March 2003 and had started self-employment in November 2002. The agency starts a six-month SEIRF average because the business has not been in business 6 months. At the September review, no significant change is reported and the worker continues to use the 6-month SEIRF until the 2003 taxes are completed.

S/he may complete the SEIRF for each month separately or total the months on one SEIRF.

1. For 6 or more months of operation since the change, calculate monthly average IM income and use it for the rest of the year.
2. For changes in months 1 through 5, calculate: monthly average IM income and the cumulative monthly average over 6 months of operation.
3. For less than 1 month of operation since the change, the person must estimate income and expenses for the next 2 months on a SEIRF. Divide the estimate by 2 to get monthly IM income for the 1st 2 months.

Next, calculate the cumulative monthly average over 6 months of operation. When there are less than 6 months of operation:

1. The person must complete a SEIRF for each month of operation, including partial months, until s/he has reported 6 months of operation.
2. Keep a cumulative monthly average of IM income reported until the average covers 6 months.

Example 2: At review, a person reports 3 months of operation and completes 3 SEIRFs. Total the IM income from the 3 SEIRFs. Divide the total by 3 for a monthly average.
When you receive the 4th SEIRF, add IM income for the 4th month to the total for the first 3 months then divide the result by 4 to get the new cumulative monthly average.

If the SEIRF is not completed, ask the client to complete it. Do not fill out the SEIRF yourself.

4.3.3.7.1 Farm and Self-employment Expenses –Shelter

When the group does not identify the shelter expense for self-employment, the group may not use the shelter expense as a business deduction. Use all of the expense for the shelter deduction. Do not allow money which has been deducted as a business expense on taxes as a shelter deduction. If a FS group claims a percentage of its shelter costs as a business expense, allow the remaining percentage as a shelter deduction.

If the FS group claims the total shelter costs as a business expense, do not allow any shelter deduction.

Example: Fred, a self-employed farmer, uses 50% of his insurance and taxes as a business deduction. His yearly insurance and taxes are $1200. Use the remaining $600 as a shelter deduction. Prorate the $600 over 12 months.

4.3.3.7.2 Farm and Self-employment Expenses – Utilities

If the group deducts a percentage of its utility expenses on taxes, it is allowed the full *SUA* for the utility expenses. If the FS group claims the total utility costs as a business expense, do not allow a utility deduction.

4.3.3.7.3 Self-employed Child Care Provider

An individual who has earned income from self employment as a child care provider can deduct the cost of meals provided to the enrolled children from the income earned by the child care business. They may report the actual cost of the meals or they may use the federal standard deductions. Tier 1 applies to households with income at or under 185% of the Federal poverty income guidelines; Tier 2 applies to all other households.

TIER 1	TIER 2
Breakfast $0.99 Lunch or Supper $1.83 Supplement (snacks) $0.54	Breakfast $0.37 Lunch or Supper $1.10 Supplement (snacks) $0.15

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4.3.4 Unearned Income

4.3.4.1 Counted Unearned Income
4.3.4.2 Disregarded Unearned Income

7 CFR 273.9(b)(2)

Unearned income is income not gained by work or delivery of a service or product. Count all unearned income unless it must be disregarded. Some unearned income is disregarded because of source, type, or the reason for receiving it.

Count unearned income as income in the month that it is received, except when:

1. It isn't available to the *FS* group.
2. You're told otherwise by specific instructions in this Handbook.
3. Two payments from the same income source are received by the FS group in the same month due to mailing cycle adjustments. Count each payment only for the month it is intended. Income sources commonly affected by such mailing cycle fluctuations include general assistance, other public assistance programs, *SSI*, and *SSA* benefits.

4.3.4.1 Counted Unearned Income

1. Tribal *TANF* payments
2. The employer subsidy portion of *W-2* Trial Job wages
3. Interest, dividend, and royalty payments if available to a food unit member. Dividends which the household has the option of either receiving as income or reinvesting in a trust or other investment are to be considered as income in the month they become available to the household unless exempt under 4.3.4.2. Disregarded Unearned Income.
4. Annually paid annuities and lottery winnings. Average these payments over 12-months. Do not count the entire amount in the month received.
5. Net SSI payments
6. SSI-E (Supplemental Security Income-Exceptional Expense Supplement) payments

   Verified expenses which meet all the following criteria must be deducted from SSI-E payments:
   a. The payment is for a past or future expense.
   b. The payment is not in excess of the actual expense.
   c. The payment is not for a normal household living expense.
   d. The payment is used for the intended purpose. This means it is used for a cost associated with the individual's needs related to the disability.

Such expenses are verified at application, review, and change. Be sure to document your actions in case comments.

Example 1: If the need for which the "E" payment was made is attendant care, but the payment is actually spent on a monthly loan installment, do not allow the deduction.

Example 2: If the actual expense is $45.00 and the "E" payment is $50.00, only the smaller amount may be deducted.

7. Gross Social Security payments less any repayments withheld due to previous overpayments of Social Security benefits. Include any Child Support payments withheld from Social Security payments. This will ensure that Child Support payments are correctly included in the total gross unearned income and correctly budgeted as a Child Support payment deduction.
8. Unemployment Insurance (Unemployment Compensation) payments
9. Worker's Compensation benefits
10. VA disability pension adjustments
11. Private disability payments
12. Caretaker Supplement for Children (CTS; *C-Supp*) payments

13. Child Support (*CS*) and maintenance payments made directly to the food unit, or passed through to the FS group by a CS agency, whether court ordered or voluntary. However, CS paid to a custodial *parent* that resides with the non-custodial parent and the child(ren) for whom the CS is paid is not counted as income. *Disregard* CS payments received directly from an absent parent by a food unit if the money is turned over to the CS agency. Disregard CS payments retained by a CS agency.
14. Child Support and family Support must be prorated among the members covered by the court order. This means that Family Support prorations probably include the custodial parent. Child support is prorated for only the children covered by the court order. Maintenance is budgeted for the person actually receiving it. The most up-to-date information about Child Support and Maintenance can be accessed through the KIDS system.
15. W-2 payments received under W-2T, or CSJ, or as the custodial parent of an infant (CMC)
16. Kinship Care payments are unearned income of the child the payment is for
17. Any money received for sick or severance pay from an insurance policy, an income continuance policy, or disability payments from an employer that are not paid as accrued sick, vacation, or personal time. Gross income from these sources is budgeted. Whether or not the income is taxed or untaxed does not determine if the pay is counted as unearned or earned income.
18. Reimbursements for normal household living expenses such as rent, mortgage, personal clothing, and food eaten at home. These are counted because they are a gain or benefit. Include stipends that are part of a financial aid package and are intended as a reimbursement for living expenses.
19. Count a subsidized adoption payment, or adoption assistance payment as unearned income.
20. Tribal distribution payments. Income from tribal distributions should be prorated over the period it is intended to cover if it is predictable and regularly received.

Example 3: Dawn receives $500 quarterly from the Potawatami Tribe. The frequency of the payment is regular and the amount is predictable. To calculate the monthly amount to be budgeted prospectively, prorate the amount over the time period intended:
$500/3 = $166.67 per month to be prospectively budgeted.

21. Money withdrawn or dividends that are or could be received from an otherwise exempt trust fund
22. Monetary gifts over $30 a calendar quarter. Calendar quarter: 3 consecutive months beginning with January, April, July or October.
23. Income from a land contract. Deduct expenses (for example, taxes) the person must pay by the contract's terms from the gross amount. If

received less often than monthly, prorate it over the period between payments. Ignore it until s/he first receives it after becoming eligible.

24. Any money received from an installment contract must be:

a. Counted as income in the month received, or

b. Averaged over the number of months between payments. For example, average a quarterly payment received in January over January, February, and March. The FS group must choose one of the above methods. Document the choice in the case record.

4.3.4.2 Disregarded Unearned Income

Disregard the following income:

Housing and related income:

1. Disregard rent paid by the Department of Housing and Urban Development (*HUD*) and Farmer's Home Administration (*FMHA*) directly to a landlord as income. Do not include these payments as a deduction in the Shelter/Utilities Computation Unit. Only include as a rent expense what the household owes to the landlord after the HUD and FMHA payments.
2. Disregard rent paid by HUD to residents in the experimental housing program in Green Bay.
3. Disregard HUD and FMHA utility reimbursement payments made directly to a household or utility provider as income.
4. Disregard HUD utility reimbursement payments diverted by a Native American housing authority directly to the utility provider without permission, consent, or agreement of the FS group.
5. Under the Family Investment Centers program, HUD provides grant money to public housing agencies and Indian housing authorities. In turn, they provide access to education and job opportunities to public housing residents.
6. Disregard as income services provided to a public housing resident under a Family Investment Centers program. Services include:
   a. Child care,
   b. Employment and training counseling,
   c. Literacy training,
   d. Computer skills training,
   e. Assistance in attaining certificates of high school equivalency, and
   f. Other similar services.
7. Disregard free rent, no income is counted and no rent deduction is allowed.
8. A tenant may be billed utility expenses for common electrical devices, for the benefit of any number of tenants, but wired through his/her meter. A notice from the landlord identifies that cost and the tenant's reimbursement. Disregard the reimbursement.

Employment Training and Education:

1. Educational aid for students is not counted as income.
2. Disregard educational expense reimbursements.
3. Disregard income produced by an educational trust that you excepted in the Asset Unit.

Loans:

Disregard as income any loan to the FS group. This includes loans from private individuals and commercial institutions.

Medical and Dependent Care:

1. Disregard reimbursements for medical or dependent care. Examples are payments from the *MA* Community Integration Program (CIP), such as buying a seeing-eye dog.
2. Disregard dependent care payments as income for a group member's care when a county agency:
    a. Pays a dependent care provider directly.
    b. Reimburses the FS group after the group has incurred or paid a dependent care expense.

SSA programs:

1. Disregard reimbursements for services provided by the Social Services Block Grant Program.
2. Disregard retroactive SSI payments which are paid in installments.
3. Retroactive SSI benefits which total 12 months or more of the Federal Benefit Rate (monthly SSI amount) will be paid in 3 or fewer installments at 6 month intervals. Each installment payments should be counted as an asset. Retroactive SSI benefits which equal or exceed 12 months of benefits, but which are owed to the following categories of recipients will continue to be received in one lump sum:
    a. A person who has a medical impairment which is expected to cause death within 12 months.
    b. A person who is ineligible for benefits and is likely to remain ineligible for the next 12 months.
4. Disregard income of an SSI recipient necessary to fulfill a Plan for Achieving Self Support (PASS) regardless of the source. This income may be spent in accordance with an approved PASS or deposited into a PASS account. The SSA must approve the individual's PASS in writing, identifying the amount of income that must be set aside each month to fulfill the PASS. It is the household's responsibility to report and verify that such income is necessary to fulfill its PASS in order for the income to be disregarded.
5. A qualified organization may collect a fee for acting as the representative payee for an SSI or *OASDI* recipient. Disregard the amount withheld from

the SSI or OASDI payment as income to the recipient. Reduce the SSI or OASDI amount by the amount withheld instead.

6. The Wisconsin Family Support Program provides funding for severely disabled children. Payments are vendored or made directly. Disregard these payments to the food unit. Do not confuse this program with "family support", a court ordered obligation that combines child support and maintenance.

Energy Assistance Program
Disregard payments and allowances made by the Wisconsin's Home Energy Assistance Program (WHEAP).

Community Options Program
Disregard Community Options Program (COP) payments. But if a household member is receiving COP payments for providing services, count the money as earned income for providing the service.

Tribal / Native American Payments

1. Disregard all compensation including cash, stock, partnership interest, land, interest in land, and other benefits received from the Alaskan Native Claim Settlement Act.
2. Disregard up to $2000 per calendar year of income received by an individual native American which is derived from land held in trust or in restricted status, when determining eligibility and benefit levels.
3. Disregard income from certain submarginal land of the US held in trust for certain Indian tribes (PL 94-114, Section 6).
4. Disregard payments to individual tribal members from these federal settlements:
    a. Grand River Band, Ottawa Indians (PL 94-540).
    b. Sac and Fox Indians claims agreement (PL 94-89).
    c. Navajo and Hopi Tribe relocation payments (PL 93-531).
    d. Confederated Tribes and Band of the Yakima Indian Nation & Apache Tribe of the Mescaler Reservation (PL 95-433).
    e. Passamaquoddy Tribe, the Penobscot nation, and the Houlton Band of Maliseet (PL96-420), Maine Indian Claims Settlement Act of 1980.
    f. Turtle Mountain Band of Chippewas, Arizona (PL 97-408).
    g. Blackfeet & Gros Ventre tribes, Montana (PL 97-408).
    h. Papago tribe, Arizona (PL 97-408).
    i. Assiniboine Tribes of Fort Belknap Indian Community and Fort Peck Indian Reservation, Montana (PL 98-124).
    j. Red Lake Band of Chippewas (PL 98-123).
    k. Saginaw Chippewa Indian Tribe of Michigan (PL 99-346).
    l. Chippewas of the Mississippi including these Minnesota Reservations: Mille Lac, White Earth, and Leech Lake (PL 99-377).

m. Chippewas of Lake Superior (PL 99-146, Dockets 18-C & 18-T). This includes the following Wisconsin reservations: Bad River, Lac du Flambeau, Lac Courte Oreilles, Sokaogon Chippewa Community, Red Cliff, and St. Croix.
n. White Earth Band of Chippewa in Minnesota (PL 99-264).
o. Michigan Keweenaw Bay Indian Community and Minnesota Fond du Lac, Grand Portage, Nett Lake, and White Earth reservations (Dockets 18-S, 18-U, 18-C, & 18-T).
p. Puyallup Tribe of Indians Settlement Act of 1989 (PL 101-41).
q. Catawba Indian tribe of South Carolina Land Payments Claims Settlement Act of 1993.
r. 1931 Indian Child Welfare (PL 95-608).
s. Seneca Nation Settlement Act of 1990.
t. Confederated Tribes of the Colville Reservation grand Coulee Dam Settlement Act.
u. Cherokee nation of Oklahoma Indians (Docket 262-83LO).
v. Cheyenne River Sioux Tribe.
w. Crow Creek Sioux Tribe.
x. Lower Brule Sioux Tribe.
y. Devil's Lake Sioux Tribe.
z. Oglala Sioux Tribe.
aa. Rosebud Sioux Tribe.
bb. Shoshone-Bannock Tribes.
cc. Standing Rock Sioux Tribe.
dd. Bois Forte Band of the Chippewa tribe under 25 USCS 1407 (PL 106-568).

5. Disregard the first $2,000 of individual shares for the following:
   a. Old Age Assistance Claims Settlement Act (PL 98-500).
   b. Yankton Sioux Tribe (Dockets 342-70 & 343-70).
   c. Peoria Tribe of Oklahoma (Dockets 313, 314-A, & 314-B).
   d. Maricopa Ak-Chin Indian Community (Dock 235).
   e. Wichita and Affiliated Tribe (Keechi, Waco & Tawakonie) of Oklahoma (Dockets 371 & 372).
   f. Ak-Chin, Salt River Pima-Maricopa and Gila River Pima-Maricopa Indian Communities (Docket 228).
   g. Rincon Band of Mission Indians (Docket 80-A).
   h. Walker Paiute Tribe (Docket 87-A).
   i. Seminole Nation of Oklahoma, Seminole Tribe of Florida, Miccosukee Tribe of Indians of Florida and Seminole Indians of Florida (Dockets 73, 151, &73-A).

Child Nutrition Act of 1966 and the National School Lunch Act

Disregard the value of assistance received from programs under the Child Nutrition Act of 1966 and the national School Lunch Act. These are:

a. Special Milk Program.
b. School Breakfast Program.

c. Special Supplemental Food Program for Women, Infants and Children (*WIC*).
d. School Lunch Program.
e. Summer Food Service Program for Children.
f. Commodity Distribution Program.
g. Child and *Adult* Care Food Program.

Disaster and Emergency Assistance Payments

1. Disregard major disaster and emergency assistance payments made by federal, state, county, and local agencies, and other disaster assistance organizations.
2. Disregard Emergency Assistance (OPM) or emergency General Assistance when either is given to a *migrant* or seasonal farm worker FS group if:
   a. The payment is provided to a 3rd party (vendored) on behalf of the migrant or seasonal farm worker; and,
   b. The FS group was in the job stream when it was provided.
3. Disregard disaster unemployment benefits to any individual that is unemployed as a
   result of a major disaster. Individuals cannot be eligible for any other unemployment compensation and also receive disaster unemployment benefits. Payments are limited to 26 weeks.

Veteran's Benefits

Exclude VA aid and attendant payments if:

1. The payment is for a past or future expense.
2. The payment is not in excess of the actual expense.
3. The payment is not for a normal household living expense.
4. The payment is used for the intended purpose.

GI bill

All military personnel fund the GI bill through mandatory payroll deductions in their first year of service. Disregard these deductions.

Combat Pay

Workers are now required to determine if a military allotment made available to an AG by an absent member deployed to a combat zone should be excluded when determining eligibility. Disregard any amount of combat zone pay that goes to the household that is in excess of the military person's pre-deployment pay. The exclusion lasts while the military person is deployed to the combat area.

If the amount of military pay from the deployed absent family member is equal to or less than the amount the household was receiving prior to deployment, all of the allotment would be counted as income to the household. Any portion of the military pay that exceeds the amount the household was receiving prior to

deployment to a designated combat zone should be excluded when determining the household's income for FS purposes.

Procedure
Follow these steps in determining how to budget combat zone pay:

1. Ask if the service member is deployed to a combat zone.
2. If the answer is no, verify military pay using a bank record or Leave and Earnings Statements (LES) and clearly document in case comments how income to the FS AG was determined and verified.
3. If the answer is yes, verify the service member's pay before deployment to a combat zone and the amount they receive due to being assigned to a combat zone. Leave and Earnings Statements (LES) or bank records can be used to verify this amount.
4. Any portion that is more than the amount the unit was receiving immediately before deployment to a combat zone is exempt as combat pay.
5. Clearly document in case comments the combat pay source of verification and method used to determine amount to be disregarded and budgeted.

Example: John, his wife Bonnie and their daughter have an open FS case. John is in the military stationed overseas, his monthly income is $1,000. John sends his wife $1,000 every month.

When John is deployed to a combat zone his pay is increased to $1,300 a month, which is deposited into a joint account. Because the $300 is combat pay, it is exempt income and not counted in the determination. The pre-combat pay of $1,000 is budgeted as unearned income for FS.

Dottie Moore
Disregard as income any penalty payment paid as a result of the Dottie Moore lawsuit by DHSS to any AFDC applicant or recipient. These $50 to $200 penalty payments have been ordered by the US District Court for the Eastern District of Wisconsin in Civil Action No. 80-C-118.

Victims of Nazi Persecution
Disregard as income payments under PL 103-286 to victims of Nazi persecution.

Payments to Crime Victims
Disregard as income payments to crime victims under the Crime Act of 1984.

Agent Orange Settlement Fund
Disregard payments received from the Agent Orange Settlement Fund or any other fund established in settling "In Re Agent Orange Product Liability Settlement Fund litigation MDL No. 381 (EDNY).

Wartime Relocation of Civilians
Disregard payments under PL 100-383 to US citizens of Japanese ancestry and permanent resident Japanese aliens or their survivors and Aleut residents of the Pribil of Islands and the Aleutian Islands West of Unimak Island.

Radiation Exposure Act
Disregard payments from any program under the Radiation Exposure Act (PL 101-426) paid to compensate injury or death resulting from exposure to radiation from nuclear testing ($50,000) and uranium mining ($100,000). Apply this disregard retroactively to 10-15-90. Continue the disregard as long as payments are identified separately.

Children of Vietnam Veterans Who Are Born With Spina Bifida
Disregard payments received under the provision of the Benefits for Children of Vietnam Veterans Who Are Born With Spina Bifida (PL 104-204). These payments are made to any child for a Vietnam veteran for any disability he or she experiences resulting from the spina bifida. Apply this disregard retroactively to 9-26-96. Continue this disregard as long as payments are identified separately.

Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970
Disregard reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (PL 92-646, Section 216).

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4.4 ASSETS

4.4.1 Assets

CFR 273.8

Assets are not included as part of the *FS* eligibility determination and are not required to be verified since all FS applicants and recipients are authorized to receive a TANF-funded service. All FS applicants and recipients are categorically eligible for FS (4.2.1). The amount of available liquid assets must be reported at the point of initial application to determine eligibility for priority service and expedited issuance.

The amount of available liquid assets must be reported at the point of initial application to determine eligibility for priority service and expedited issuance.

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4.5 SPECIAL SITUATIONS

4.5.1 Income from a private non-profit charitable agency

In a calendar quarter, *disregard* the first $300 received by a household from any private, nonprofit charitable agency. If the application is after the 1st day of a calendar quarter, include the entire quarter in computing the excess. Count any amount over $300 as unearned income. Start in the month in which the overage first shows.

Calendar quarter: 3 consecutive months beginning with January, April, July or October.

Example 1: In April a food unit receives $100 cash from Agency X. In May it gets another $100 in cash from Agency X. In June it gets $250 cash from Agency Z. The calendar quarter total is $450. Disregard the first $300. Count the remaining $150 as unearned income received in June.

Example 2: A household received $80 from a private, nonprofit charitable agency in January, $250 in February, and $210 in March. Include the entire January payment in the calculation, even though received before the unit's application date of 1-23-91. The total $540 for January, February & March is subject to the policy: $540 - $300 = $240.

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4.5.2 Loan Repayment

Count the principal of a loan repayment to a *FS* group member from a NonFS group member as a liquid asset. Count the interest of a loan repayment to a FS group member from a Non-FS group member as unearned income.

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4.5.3 Reimbursement

Disregard a reimbursement for an identified expense, other than normal household living expenses, and used for the purpose intended. Assume a reimbursement does not exceed an actual expense unless the provider or food unit says the amount is excessive. If the amount exceeds the actual expense, count the excess as income.

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4.5.4 Protective Payee and Third Party Payments

When a food unit member is also a protective payee, *disregard* the money s/he receives for the care and maintenance of a third party who is not in the food unit. However, count any portion of the money the member spends for its own household's needs as income to the protective payee.

If a single payment is for the care of a food unit member and a third party not in the food unit, disregard the portion of the payment intended for the third party. When you cannot identify each person's portion, prorate the payment equally.

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4.5.5 Nonrecurring Lump Sum Payment

Disregard money received as a nonrecurring lump sum payment as income. A nonrecurring lump sum is a payment received only once. Count it as a liquid asset in the month the food unit receives it. Types of nonrecurring lump sum payments include:

1. Income tax refunds, rebates, or credits.
2. Retroactive lump sum insurance settlements.
3. Retroactive *UC* payments.
4. Utility or rental security deposit refunds.
5. Retroactive SS or public assistance payments.
6. Retroactive Caretaker Supplement for Children (CTS; *C-Supp*).
7. *TANF* payments made to divert a family from becoming dependent on welfare, such as Emergency Assistance.

When a combination of current and lump sum payments are received at once, the current amount is income and the nonrecurring amount is an asset.

Example: A group member receives *SSA* benefits. In June, she gets a $950 check. $430 is for the current month (June) and $520 is a retroactive payment for underpayments in February and March. The $430 is income and the $520 is an asset.

A recurring payment, received in two or more monthly installments, is income. Exceptions are *EITC* and *SSI* Retroactive Installment Payments.

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4.5.6 Repayments

4.5.6.1 Repayments due to a W-2 IPV
4.5.6.2 Repayments for means tested sources that are withheld
4.5.6.3 Repayments for means tested sources that are paid out of pocket
4.5.6.4 Repayments for non-means tested sources that are withheld
4.5.6.5 Repayments for non-means tested sources that are paid out of pocket
4.5.6.6 SSI Repayments
4.5.6.7 Earned Income Repayments
4.5.6.8 General Relief / Interim Assistance
4.5.6.9 Jury Duty
4.5.6.10 Vendor Payments

Repayments are moneys that are paid back either voluntarily or involuntarily from some other program's benefits. Intentional failure to comply with program requirements is determined by the authorities for that program. Contact those authorities to determine the reason for repayments. The amount of a repayment that should be used to determine eligibility and benefits varies depending on the source and reason for the repayment See the sections below for specific repayment policy based on the source and reason of the repayment.

For all repayments, *disregard* no more than the current payment from that source. Disregard income that is mixed with other types of income and used to repay an overpayment back to the source of the income.

Example: Ted receives $50 each month in VA benefits and $250 in Social Security benefits. The VA overpaid him by $200. If he pays back $50 each month to the VA, do not budget the $50 as income. If he pays back $75 each month, disregard only $50. Budget the remaining $25 because it isn't money from the source of the overpayment. Remember that his VA benefits are only $50 a month. The $25 is probably from his Social Security benefits.

4.5.6.1 Repayments due to a W-2 IPV

When a repayment is due to an intentional failure to comply with *W-2* program requirements, count any portion of that program's benefit that is withheld as a repayment.

4.5.6.2 Repayments for means tested sources that are withheld

Disregard repayments (not due to a *FS IPV*) from benefits payable to the food unit that are withheld from a means-tested assistance payment or other source of income due to an overpayment.

An assistance payment is any benefit provided by a means tested program funded by federal, state, or local funds. Means tested programs are those which base eligibility on income and assets. These include, but are not limited to, W-2 and the Refugee Assistance Program.

Example: Kim received an overpayment of $100 from W-2 (not due to IPV). She has $10 a month withheld from her $673 W-2 check to repay the overpayment. Disregard the $10 monthly until the $100 is repaid. Her net check is now $663. Budget the net amount of $663 for FS.

4.5.6.3 Repayments for means tested sources that are paid out of pocket

Disregard repayments (not due to a FS IPV) from benefits payable to the food unit that are paid out of pocket.

An assistance payment is any benefit provided by a means tested program funded by federal, state, or local funds. Means tested programs are those which base eligibility on income and assets. These include, but are not limited to, W-2 and the Refugee Assistance Program.

Example: Kim received an overpayment of $100 from W-2 (not due to IPV). She has agreed to make a one time payment of $100 in June to pay this back. Her June W-2 benefit was $673. Budget the net amount of $573 ($673 - $100) for FS for June.

4.5.6.4 Repayments For Non-Means Tested Sources That Are Withheld

Disregard repayments (not due to a FS IPV) from benefits payable to the food unit that are withheld from a non means-tested assistance payment or other source of income due to an overpayment.

Non-means tested programs are those which do not base eligibility on income and assets. Social Security and Unemployment Compensation (*UC*) are examples of a non-means tested source.

Example: Pao receives FS and Unemployment Compensation (UC). UC is not a means tested program. Pao had an overpayment in his UC and $25 is being recouped in his current checks. His gross is $500 and his net is $475. Budget the net $475 as income for FS.

4.5.6.5 Repayments For Non-Means Tested Sources That Are Paid Out Of Pocket

Disregard out of pocket payments (not due to a FS IPV) to a prior non-means tested overpayment received from that source.

Non-means tested programs are those which do not base eligibility on income and assets. Social Security and Unemployment Compensation (UC) are examples of a non-means tested source.

Example: Val incurred a $20 overpayment from Social Security. SS income is not means tested. Val cashes her $726 SS check and uses the money to repay the $20 overpayment. Disregard the $20 and budget $706 for FS. If she used the $20 to repay other types of overpayments, such as VA or W-2, count it as income because the repayment isn't from the same source.

4.5.6.6 SSI Repayments

Always budget net *SSI* regardless of the reason for any overpayment.

4.5.6.7 Earned Income Repayments

Disregard earned income used to repay an overpayment received earlier from that same source. Do not disregard more than the current amount of payment from that source. Disregard earned income for this reason even if the earnings are mixed with other types of income and used to repay an overpayment.

Example: Jill works part-time for $50 (net) a month and receives $250 a month in Social Security (*SSA*) benefits. She is overpaid by her employer's error by $200. If she pays back $50 a month to the employer, do not court that $50. If she pays back $75 a month, only $50 (equal to her regularly received earned income from the overpayment source) is not counted. The other $25 is paid from her SSA benefit and is counted.

4.5.6.8 General Relief / Interim Assistance

Wisconsin no longer administers a General Relief (*GR*) program. However, some local agencies administer their own GR or Interim Assistance (IA) program.

Count GR payments, including work relief, as income unless the payments can be excluded. For example, disregard GR vendor payments made to *homeless* people in transitional or temporary housing.

Do NOT count IA as income. Since there are always repayment agreements for IA, it is considered a loan to be repaid and should not be budgeted as income.

4.5.6.9 Jury Duty

Since the method of payment for jury duty varies by jurisdiction, determine the specific manner in which an individual is being compensated before deciding how to count it. Count any portion of the payment which is over expenses as earned income, to be budgeted in the month received, assuming payment is made within the jurisdiction's usual payment is paid beyond this period.

If all or a portion of the jury duty payment is attributable to expenses incurred while serving (such as transportation costs), disregard this portion as a reimbursement

4.5.6.10 Vendor Payments

A vendor payment is diverted by the provider of the payment to a 3rd party for an expense of the FS group. Vendor payments may be counted or disregarded as income. Ask, "Is the vendor payment something legally obligated to the FS group?" If yes, count the vendor payment or benefit as income.

Examples of vendor payments counted as income are:

1. Garnished wages paid to a 3rd party for a FS group's debts or expenses such as rent.
2. W-2 and GR payments that are not paid directly to the recipient. These include vendored or vouchered payments and those paid to a protective payee. Count them as unearned income.
3. Vendored W-2 and GR payments made to a third party for homeless FS groups living in transitional or temporary housing
4. Money deducted or diverted from a binding written support or alimony payment to a 3rd party for a FS group's expense. This includes court ordered support or alimony payments.
5. Educational loans on which payment is deferred, grants, scholarships, fellowships, Veteran's educational benefits and the like, provided to a 3rd party on behalf of the FS group for living expenses such as rent or mortgage, clothing or food eaten at home.
6. Unemployment compensation benefits intercepted by *CS* agencies.

Some examples of disregarded vendor payments are:

1. Payments in behalf of the FS group made by a relative who is not a member of the FS group as a gift or other contribution.
2. Rental payments made by *HUD* to a landlord.
3. Payments made by a government agency directly to a child care institution to provide for a FS group member
4. Payment of a group's medical bills made directly to the medical provider by any 3rd party, such as an insurance company or GR.

5. Payments specified by a court order or other legally binding agreement to go directly to a 3rd party instead of the FS group are excluded because they are not otherwise payable to the household.
6. Support payments not required by a court order or other legally binding agreement paid to a 3rd party rather than the FS group. This included payment over the amount specified in a court order or written agreement.
7. Educational aid that is paid to a 3rd party rather than the FS group for purposes other than living expense. A vendor payment to a school for tuition is an example.
8. Emergency assistance from state or local funds which is over and above the assistance grant (s).
9. Payments made by the State of Wisconsin for Medicare Part A and B coverage under the QMB, SLMB, or ALMB programs.

Example 1: In Fred and Tina's divorce judgment the court orders Fred to pay $400 a month in child support. In addition, the court orders Fred to pay $200 a month to a health insurance company for the children's health care coverage. The $400 is counted as income to Tina's household and the $200 is excluded from income, because it is not otherwise owed to the food unit.

Example 2: Xao loses all his belongs in a fire. An emergency payment voucher is given to a clothing store. Disregard the payment as it is an extra payment used for an emergency.

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4.6 DEDUCTIONS AND EXPENSES

4.6.1 Deductions and Expenses

4.6.1.1 Calculation Period
4.6.1.2 Fluctuating & Irregular Costs
4.6.1.3 One-time Costs

7 CFR 273.9(d)

A *FS* group may be eligible for 6 deductions from gross income in the monthly budget that determines their benefit allotment. These deductions are: a standard deduction, an earned income deduction, a medical expenses deduction, a *child* support payment deduction, a dependent care expense deduction, and a shelter expense deduction. Some FS groups are not allowed a deduction for some expenses and some expenses are not always deducted in full.

The amount of the monthly expenses used to determine these deductions is determined prospectively using the best verified information available.

Do not allow a deduction from any disregarded income. Make deductions only from countable income.

If the food unit fails to report or verify an expense, the deduction is not allowed.

4.6.1.1 Calculation Period

Most allowable expenses are deducted in the month in which the expense is expected to be billed, not the month the expense is paid.

Example: Include in the group's shelter expenses rent that is due each month even if the group has not yet paid the expense.

4.6.1.2 Fluctuating & Irregular Costs

A food unit may choose to average an allowable deduction when the costs fluctuate or are billed on other than a monthly basis. If there is a regular interval between billing periods, average the expense over those periods. If there is no regular interval, average the expense over the period the expense is intended to cover.

4.6.1.3 One-time Costs

The food unit can count a one time only expense as 1 time deduction or average it over the certification period. If it chooses averaging, average it over the remaining months in the certification period following the report of the expense.

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4.6.2 Standard Deduction

The standard deduction is subtracted from all countable gross income in the *FS* eligibility determination. The standard deduction varies depending on FS group size and is adjusted annually by the federal government. (See 8.1.5.)

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4.6.3 Earned Income Deduction

The earned income deduction is 20% of the gross monthly countable earned income of the *FS* group. This deduction is intended to offset work-related expenses such as taxes and social security withheld from wages.

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4.6.4 Medical Expenses

4.6.4.1 Allowable Medical Expenses
4.6.4.2 Medical Expenses Not Allowed
4.6.4.3 Budgeting Medical Expenses including MA Deductible Expenses
4.6.4.4 Treatment of Medical Expense Deductions for Medicare Prescription Drug Discount Cardholders

The medical expense deduction is determined using verified allowable monthly medical expenses incurred by elderly, blind, or disabled *FS* group members exceeding $35 per month.

4.6.4.1 Allowable Medical Expenses

Allow previously acquired charges (not yet paid) and payments when calculating a medical expense deduction. Previously acquired charges include charges incurred anytime before or during the eligibility period, as long as the individual has an agreement to pay the charges and is still obligated for the expense.

Payments include payments made only during the eligibility period. Do not use medical expenses paid prior to the eligibility period.

Example 1: Jack has surgery in January and receives a hospital bill for $400 in February. Jack then applies and becomes eligible for FS in April. At the time of application, Jack has not made any payments toward the medical bill. The *ESS* can use the entire $400 hospital bill when calculating Jack's medical expense deduction.

Example 2: Jack has surgery in January and receives a hospital bill for $400 in February. He makes his first $50 monthly payment toward his medical bill in March. Jack then applies and becomes eligible for FS in April. The ESS cannot use the $50 March payment when calculating the medical expense deduction. The worker can, however, use the remaining $350 of the hospital bill ($400 - $50 = $350) to calculate the deduction.

Allowable medical expenses are:

1. Medical and dental care including psychotherapy and rehabilitation services provided by a state licensed practitioner or other qualified health professionals, including chiropractors and acupuncturists.
2. Hospitalization or outpatient treatment, nursing and nursing home care. This includes payments by the FS group for a person who was a FS group member immediately before entering a state recognized hospital or nursing home.
3. Prescription drugs when prescribed by a licensed medical practitioner authorized under state law. This includes the cost of postage for mail-order prescription drugs.
4. Over-the-counter medication (including insulin) when approved by a licensed practitioner or other qualified health professional.
5. Sickroom equipment (including rental), or other pre-scribed equipment, and medical supplies.
6. Health and hospitalization insurance premiums, including Medicare premiums. Nursing home care insurance policies are deductible only if the policy states that the benefits are intended to pay medical bills - then it is reasonable to conclude that the household member intends to use the benefits for paying medical bills rather than normal living expenses.

   Only allow the premium of the elderly, disabled, or blind food unit member. For example, a mother pays $165 for herself and her disabled son. If she only covered herself the payment would be $100, therefore $65 is the expense for the *child*. Count the $65 as an allowed medical expense.

   In the absence of specific information on how much of a premium is for the eligible food unit member, prorate the premium and allow the *EBD* member's portion of the premium as the expense.

7. Dentures, hearing aids, and prosthetics.
8. Purchase and maintenance costs of any animal specifically trained to serve the needs of disabled program participants, including the cost of food and veterinarian care. Reimbursement for these expenses is an allowable deduction if:
   a. It does not exceed the actual expense.
   b. It does not represent a gain or benefit to the household as do normal living expenses such as rent or mortgage, personal clothing or food eaten in the home.
   c. It is provided specifically for an identified expense.
   d. It is used for the purpose intended.
9. Eye glasses and contact lenses prescribed by an ophthalmologist or optometrist.
10. Reasonable cost of transportation and lodging to obtain medical care. For transportation, allow:
    a. The actual cost of the public carrier; or,

b. If a private vehicle, the lesser of the mileage rate paid by the county, or by the state for unrepresented state employees.

11. Charges for an attendant, homemaker, home health aide, child care, or housekeeper necessary due to age, infirmity or illness.
    Treat attendant care costs that qualify either as a medical or dependent care deduction as a medical deduction. Deduct an amount equal to the 1 person allotment if the household furnishes the majority of the attendant's meals. Use the allotment in effect the last time eligibility was determined. You must update the amount at the next scheduled review but may do so earlier.
12. Any cost-sharing, co-payment, or *MA* deductible expense incurred by an MA recipient, including MA deductible pre-payments.
13. Payments made on a loan's principal if it was used to pay a one-time medical expense. Do not allow loan expenses, such as interest.
14. BadgerCare and Medicaid Purchase Plan (MAPP) premiums.
15. The SeniorCare enrollment fee.
16. Lifeline / MedicAlert. The costs of Lifeline or MedicAlert devices used by persons to contact medical help in emergencies are an allowable medical expense deduction for FoodShare benefits if prescribed by a licensed practitioner or other qualified health professional.

4.6.4.2 Medical Expenses Not Allowed

Do not allow:

1. Expenses paid by or that will be paid by insurance.
2. Expenses paid by or to be paid by any governmental program, including MA and Medicare, except discounts or subsidies authorized through the Medicare-Approved Prescription Drug Discount Card. Any discounts and Transitional Assistance subsidies through the Medicare-Approved Drug Discount Card used to purchase drugs are disregarded when determining the amount of the food unit’s medical expense deduction.
3. Costs of health and accident policies such as: any payable in lump sum settlements for dismemberment or death, or income maintenance policies covering mortgage or loan payments while the beneficiary is disabled.
4. Loan repayments for anything other than the loan's principal.
5. Premiums for nursing home insurance policies that would not be used to cover allowed medical expenses.
6. Lying in costs for the birth of a child.

4.6.4.3 Budgeting Medical Expenses Including MA Deductible Expenses

Medicare premiums and any cost-sharing or deductible expenses incurred by MA recipients are allowable medical expense deductions. The deductible expenses actually incurred, or anticipated to be incurred on a monthly basis may be used to determine the amount of the FS medical expense deduction. The MA deductible

amount itself does not necessarily determine the amount of the FS medical expense deduction, and should not automatically be averaged over the FS certification period to arrive at an excess medical expense deduction. Only allow the medical expenses incurred by elderly, disabled, or blind FS group members.

Example 1 : A FS group member has a MA deductible of $400 for a 6 month MA certification period. Based on the verified expenses in the previous 6 months, the person anticipates he will incur $100 per month in medical expenses. Enter $100 in expenses on *CARES* screen AFME and CARES will allow $65 in excess medical expenses for each month ($100 - $35 = $65). When the FS/MA group member meets the MA deductible and MA opens, the worker should remove the monthly excess medical deduction. Remember to check the medical expense screens whenever MA opens and adjust the expenses accordingly.

However, if an individual makes a pre-payment or incurs a one time medical expense that may be used to meet the MA deductible, s/he has 4 choices in how that expense will be counted as a FS medical expense deduction:

1. Deduct it as a lump sum for 1 month, or
2. Enter into a payment plan with the medical provider and claim the monthly payment obligation under the payment plan. The monthly obligation can be claimed for as long as the original payment plan is in place, however amounts still due after they were budgeted during a previous FS certification period may not be included as part of the monthly expense. No incurred expense can be counted more than once, or
3. Choose to average the one time medical expense over the remaining months of the FS certification period. The averaging of the one time medical expense cannot extend past the certification period in which the expense was originally counted.
4. Choose to average the one-time medical expense over the period it was intended to cover.

Example 2: A FS group member who is disabled has a MA deductible of $600. He meets the deductible with a one- time expense of $850. He chooses to average the expense over the period it was intended to cover. The worker averages the non-reimbursable portion of the expense, $600, over the remaining months of the MA deductible period.

Example 3: A customer is certified for 12 months for FS and 6 months for MA with an $800 deductible. During month 2 the customer incurs a one-time medical expense of $4000. The MA deductible is met and the person becomes eligible for MA for the rest of the MA certification period. The non-reimbursable amount is $800 since MA pays the remainder of the bill after the deductible is met. For purposes of FS eligibility, s/he can do 1 of these:

1. Choose to have the entire non-reimbursable expense ($800) applied to one month as an excess expense in the next possible benefit month.
2. Enter into a payment plan with the provider and the incurred monthly payment amount due is used to determine the excess medical expense. The payment plan can extend beyond the FS certification period as long as no part of the medical expense is counted more than once. For instance, if the payment plan calls for $40 payments to be made each month for 20 months, the $40 expense can be counted each month for 20 months. However, if the client falls behind in the payment plan and in the 21st month enters into a second payment plan to cover the remaining balance, DO NOT allow the remaining balance as a medical expense because it was already deducted during the previous 20 months.
3. Request that the $800 be averaged over the remaining 10 months of the FS certification period. In which case, the monthly excess medical expense deduction would be:
   $80 - $35 = $45 each month for 10 months.
4. Request that the $800 be averaged over the remaining 4 months of the MA certification period, or the period the expense is intended to cover. In which case, the monthly excess medical expense deduction would be $200 - $35 = $165 each month for 4 months.

The second option is also available when a client is billed for an allowable one-time medical expense prior to certification and has arranged to pay the expense on monthly basis over a period of time. If during this period of time the client applies for FS, the monthly installment amount due is an allowable expense for the excess medical deduction.

Except when an expense is averaged during a certification period, the expense should be budgeted in the month it is billed or otherwise becomes due, regardless of when the client intends to pay the expense. Allow the expense in the next possible benefit month. Under all of the one-time medical expense options, the amount incurred (not amount paid) is counted. The client may or may not pay the bill, that is why it is important to make sure that the expense is not counted more than once.

4.6.4.4 Treatment of Medical Expense Deductions for Medicare Prescription Drug Discount Cardholders

Any Medicare-Approved Drug Discount Card discount and Transitional Assistance subsidy received by an applicant or recipient is not counted as income or assets in determining eligibility and benefit amounts.

Count the full price of drugs purchased by an applicant or recipient before any discounts and subsidies were applied when determining the amount of an allowable medical expense. This is to be done using one of the following methods:

a. Count the full price that appears on the pharmacy receipt before any discount and subsidy is applied to the drug cost.
b. Use an old receipt showing the full price of the drug paid for by the applicant or recipient before he/she obtained the discount card.
c. Use a value set by the Centers for Medicare and Medicaid Services (CMS) of $48.17 per prescription. This is an amount reflecting the national average cost of a prescription. Using this value should only be done if you can not determine the pre-discount price of a prescription and the person can not document that he or she would have had to pay a higher price without the discount card.
d. Count the drug discount plan enrollment fee (up to $30/year) paid by the person as a medical expense. If the enrollment fee is paid for by a state or federal government program, it is not a countable medical expense, unless the fee is paid for or reimbursed by CMS as part of Transitional Assistance benefits.

EXAMPLE: Ted has applied and determined eligible for FoodShare and EBD Medicaid with a deductible. When Ted sends in his bills for his prescriptions, his worker notices on one receipt that Ted paid $10. However, the receipt shows the full cost of the drug was $60 and that the pharmacy deducted $50 for a Transitional Assistance payment made by CMS. The worker must count the full cost of $60 towards Ted's deductible, not just the $10 paid by Ted.

Ted's worker sees another prescription receipt for $5. Ted tells his worker that he got the drug so cheap with the Medicare-Approved Drug Discount Card, but that he doesn't remember the full price of the drug and he has no older receipts. The worker must count $48.17 towards the deductible, not the $5 Ted paid out of pocket.

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4.6.5 Child Support Payment Deduction

4.6.5.1 Allowable Child Support Expenses
4.6.5.2 Child Support Expenses Not Allowed
4.6.5.3 Family Support

Deduct court-ordered *child* support paid by *FS* group members to or for a non-food unit member. In the situation where the custodial and non-custodial parents reunite in one food unit while one parent continues to pay child support under court order to the county/state agency, that food unit can not deduct the child support paid. If it comes back into the food unit from the agency it is not counted as income.

The situation of a parent paying child support for a child living in his or her own food unit also occurs when the child moves between the parents' two residences and one or both parents are under a court order to pay child support. The child support cannot be passed directly from parent to parent, it must first be paid to an individual or agency outside the household.

If child support is paid by a non-custodial parent (*NCP*) to an individual or agency outside the household for a child that currently resides with the NCP, allow the deduction for the NCP.

Determine the deduction amount by either the average child support:

1. Paid in the previous 6 months.
2. Paid during the certification period, based on a record of payment.

4.6.5.1 Allowable Child Support Expenses

Allowable child support payments are:

1. All child support payments actually paid by eligible members including:
    a. Arrearages,
    b. Legally obligated payments made on behalf of the non-food unit member (such as rent or mortgage payment), and
    c. Legally obligated payments for health insurance.
2. A prorated share of child support paid by ineligible members

4.6.5.2 Child Support Expenses Not Allowed

CFR 273.9(d)(5)}

Do not allow:

1. Maintenance,
2. Payments made in accord with a property settlement.
3. Lying in costs for the birth of a child.
4. The annual child support R&D fee, or
5. An employer's check withholding fee.

4.6.5.3 Family Support

If the worker is unable to determine which part of a family support payment is child support, prorate the payment among the group members it is intended for and exclude the spouse's share as a deduction.

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4.6.6 Dependent Care Deduction

Determine the monthly allowable dependent care expenses if the dependent care is necessary to enable an individual in the food unit to:

1. Keep or obtain employment.
2. Get training or education preparatory for employment.
3. Comply with employment and training requirements (*FSET*).

See the Child Day Care Manual, Chapter 3, for further *child* care policy instructions regarding:

1. *W-2* Child Care recipients who are also FSET or Learnfare participants. They may not have a co-pay obligation
2. Costs above Child Care Deduction.

The maximum dependent care deduction is $200 per month for each child less than 2 years old. The maximum dependent care deduction is $175 per month for each dependent age 2 years or older. The provider of the dependent care cannot be a member of the food unit.

Do not allow in-kind payments as a deduction. This includes free rent in exchange for child care. In this case, no income is counted, no rent deduction is allowed, and no child care deduction is allowed.

Example: A food unit member is a dependent care provider. S/he is compensated for providing dependent care by paying no rent. Do not allow the dependent care deduction.

Do not allow a dependent care deduction for the portion an agency pays directly to the dependent care provider. Deduct any amount the group actually incurs or pays above the vendored, vouchered, or reimbursed payment up to the maximum.

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4.6.7 Shelter and Utility Deduction

4.6.7.1 Allowable Shelter Expenses
4.6.7.2 Standard Utility Allowances
4.6.7.3 Bills in Other Name
4.6.7.4 HSUA for Heating Expenses
4.6.7.5 Shelter Deduction During a Temporary Absence
4.6.7.6 Shelter Deductions for Group Living Arrangement Residents
4.6.7.7 Shelter Deduction for Homeless Food Units

The shelter and utility deduction is determined by the food unit's reported and verified monthly expense obligation for the current residence and includes shelter and utility expenses.

Deduct shelter and utility obligation amounts (not actual amount paid) which exceed 50% of the food unit's net income after all other deductions are made. If shelter and utility obligation amounts (not actual amount paid) are less than 50% of the food unit's income, do not allow a deduction.

The shelter and utility deduction cannot exceed the shelter maximum unless the food unit includes an elderly, blind, or disabled individual. Food units that include elderly, blind, or disabled individuals have no shelter cap.

Private payments and loans
Sometimes a relative or friend who is not a food unit member will pay the food unit's shelter and/or utility costs directly to the provider or landlord on behalf of the food unit. In such cases, the eligibility worker should determine if the payment is a loan.

If the payment is a loan, it is excluded from income, and the expense is allowed in the shelter and/or utility computation. If the payment is not a loan and a relative or friend makes the vendor payment, it must be excluded from income and the shelter and/or utility expense is not allowed as a deduction.

4.6.7.1 Allowable Shelter Expenses

Shelter expenses that are deductible include:

1. Rent
2. Home mortgage and property taxes (if not in the mortgage)
3. Countable utility expenses
4. Mobile home lot rent and loan payments
5. Insurance on the structure (if not included in the mortgage). If a household has a homeowner's insurance policy that includes insurance on the structure and household contents, but the costs cannot be separately identified, the total cost is allowable.
6. Second mortgages (regardless of what the mortgage is used for)
7. Special assessments.
8. Condominium fees or condo association fees.

Do not count as shelter or utility expenses such surcharges as pet expenses, extra garage rentals, or air conditioning surcharges. The monthly amount of rent should be taken into consideration each month when the shelter deduction is determined without regard to when the rent is actually paid. Only allow current monthly expenses. DO NOT include arrearages.

Disregard HUD and *FMHA* payments paid directly to the landlord or mortgage holder as an expense. Only include the amount the household owes after the HUD or FMHA payments as a rent expense.

Include costs for the repair of damages to the *FS* group's home due to a natural disaster as a shelter expense. Examples of natural disasters are fires, floods, hurricanes, and tornadoes.

Do not count expenses for repairs that have been or will be reimbursed to the food unit by any private or public relief agency, insurance company, or any other source.

If anyone in the household shares the shelter cost with the *FS* group, create a separate shelter screen for each contributor, using the correct obligation amount for which each contributor is responsible. (See 8.3.8 for processing guidelines.)

4.6.7.2 Standard Utility Allowances (SUA)

There are deductions for various utility expenses. The standard utility allowance is determined by expenses for the food unit's current residence. See the current value of the *SUA*'s at 8.1.5.

A food unit with utility expenses is allowed one of the following utility standards:

1. The Heating Standard Utility Allowance (HSUA), if obligated to pay, or actually paying for any heating source.
2. The Limited Utility Allowance (LUA), if obligated to pay, or actually paying for two or more of any non-heat qualifying utility expenses. The qualifying utility expenses are phone, water, sewer, electric, cooking fuel, or trash.
3. The Electric Utility Allowance (EUA), if obligated to pay, or actually paying for only a non-heat electric bill.
4. The Cooking Fuel Utility Allowance (FUA), if obligated to pay, or actually paying for only a fuel used for cooking that is not also used for a heating source.
5. The Water Utility Allowance (WUA), if obligated to pay, or actually paying for only a water bill, a sewer bill, septic tank installation or maintenance, or wastewater treatment bill.
6. The Phone Utility Allowance (PUA), if obligated to pay, or actually paying for only a telephone, including cellular phones.
7. The Trash Utility Allowance (TUA), if obligated to pay, or actually paying for only a trash or garbage bill.

Example 1: John's food unit is billed for electricity and a phone expense. His heating source is forced air heat and it is included in the rent. John's FS AG will receive the Limited Utility Allowance (LUA) because he has two or more non-heating utility expenses.

Example 2: Ella's food unit is billed for a phone only. The food unit has no other utility expenses. Her FS AG will only receive the Phone Utility Allowance (PUA).

Example 3: Jake's food unit is billed for heat, electricity, and a phone expense. His FS AG will receive the Heating Standard Utility Allowance (HSUA) because he is billed for heat.

Disregard HUD and FMHA utility reimbursement payments made directly to the food unit or utility provider as a utility expense. If there is a utility amount the food unit owes after the payments, allow the appropriate utility standard. HUD utility reimbursements are not counted as income. Disregard HUD utility reimbursement payments diverted by a Native American housing authority directly to the utility provider without permission, consent, or agreement of the food unit.

A food unit living in subsidized housing may receive the appropriate standard utility allowance if they are billed for a qualifying utility expense.

When self-employed persons claim less than 100% of fuel and utility expenses as a business deduction on their tax forms, they are entitled to the appropriate standard utility allowance. If all expenses are claimed as a business deduction, no utility expenses are allowed.

4.6.7.3 Bills in Other Name

When utility bills are not in a food unit member's name, assume that the food unit has the utility expenses:

1. If the food unit claims responsibility for the bill, and,
2. The address on the bill is the same as the food unit's address.

If the landlord receives the bill from the utility company and bills each tenant an equal or prorated amount, then each tenant is entitled to the appropriate utility standard.

Utility standards are not prorated. Allow each food unit sharing both utility expenses and a residence the full utility standard regardless of which food unit receives the bill. When food units share utility expenses but not a residence, both food units may receive the full utility standard.

Example: Two food units live in separate apartments but share 1 gas meter that is used to heat both apartments. Both food units may receive the full HSUA.

4.6.7.4 HSUA for Heating Expenses

Use the Heating Standard Utility Allowance (HSUA) for food units who are billed regularly for heating costs separately from rent or mortgage. This includes:

1. Residents of rental housing who are billed each month by their landlord for actual usage as determined through individual meters.
2. Recipients of federally funded energy assistance payments from the Wisconsin Home Energy Assistance Program (WHEAP) or Low Income Energy Assistance Program (*LIHEAP*).

Note: this does not include recipients of state-funded public assistance energy payments. Recipients whose WHEAP (LIHEAP) eligibility appears on a data exchange are recipients of a federally-funded energy payment and are eligible for the HSUA. Recipients of state-funded public assistance payments will not appear on data exchange.

If any household member was included in a WHEAP determination for their current residence, in the current or prior heating season, with a member of the food unit, even if the food unit is not receiving WHEAP at application or review, the food unit is eligible for the HSUA. In situations with two or more food units living in the same household, if both food units were included in the WHEAP determination, both food units would be eligible for the HSUA.

A current heating season is defined as October 1 through May 15. A new season begins on October 1st of each year.

Example 1:	
Review July 2003	**Review October 2003**
Current Heating season 10/02 - 5/03	Current Heating season 10/03 - 5/04
Previous Heating season 10/01 - 5/02	Previous Heating season 10/02 - 5/03

If the recipient claims to have been included in a WHEAP determination, verification will be required, and that could be in various forms, including data exchange. If they do not report being included in a WHEAP determination, the expense is not allowed, following the same policy as other non-reported expense deductions.

Food units that receive WHEAP but are only responsible for part of the utility bill shall receive the full HSUA. "Billed regularly" means the group receives heating bills at predictable intervals. This includes "as needed" schedules, such as for fuel oil, wood, or LP gas.

Food units that share utility expenses with ineligible members (regardless of WHEAP receipt) shall receive the full utility allowance.

Example 2: Mary and her three children are living with Mary's sister, Ellen and Ellen's two children. They are separate food units. Ellen applies for and receives a WHEAP payment. Her WHEAP eligibility determination included Mary and her three children. Both Mary and Ellen are eligible for the HSUA deduction.

Allow the HSUA for any food unit with wood or propane gas heating expenses. Do not allow any costs associated with getting the wood like chain saws, fuel, and cutting permits.

4.6.7.5 Shelter Deduction During a Temporary Absence

Allow shelter and utility expenses for a dwelling the food unit is temporarily absent from when the absence is caused by:

1. Employment or training away from home,
2. Illness, or
3. Abandonment due to a natural disaster or casualty loss.

Do not deduct shelter or utility expenses if:

1. The food unit does not intend to return to the home, or
2. Any current occupants of the home receive FS and are being allowed the shelter and/or utility expense deductions, or
3. The food unit rents or leases the home to others during their absence.

4.6.7.6 Shelter Deductions for Group Living Arrangement Residents

Allow the appropriate utility allowance for a resident of a qualified group home if the utilities are identified separately. Residents of group living arrangements have no limit on the amount used as a shelter deduction because they are disabled. Allow shelter and medical deductions for room and medical costs that can be separately identified.

Sometimes room, meals, and medical costs cannot be identified separately. If the cost of room and meals are combined into one amount, the amount of the

payment that exceeds the maximum allotment for a one-person food group can be used as the shelter deduction.

If the amount paid for medical and shelter cost cannot be separately identified by the group home, no deduction is allowed for the cost.

Example 1: Bev pays the *CBRF* $500 and receives shelter, meals, and medical care from the CBRF. Separate costs cannot be identified. Do not allow a deduction.

Example 2: Shirley is in a CBRF and her room and meal costs are combined into one amount of $600 per month. Separate costs cannot be identified. A 1 person allotment is $139. $600 - $139 = $461. The shelter expense is $461.

Apply these procedures whether the resident makes his/her own payments or has a protective payee making payments from the resident's funds.

4.6.7.7 Shelter Deduction for Homeless Food Units

Homeless food units may be eligible for a shelter deduction using shelter expenses and/or a standard utility allowance (8.1.5) if they incur monthly expenses for shelter or utilities. If a homeless food unit shares a residence with another food unit, the other food unit and the homeless food units are eligible for the HSUA as long as both groups contribute to the utility costs.

Determine eligibility for shelter residents using only their income and assets. Include only expenses they are responsible for. Count room payments to the shelter in the food unit's shelter expenses.

Do not include back payments on previously owed shelter expenses since the expenses were incurred before the budgeting period. The exception to this is vendor payments that must be repaid. Food units who have shelter expenses paid with a vendor payment can count the actual shelter costs if they repay the vendor payment.

Example: *GR* pays Gwen's shelter expenses while she is living in a homeless shelter during March. She agrees to pay the money back when she starts work. She is employed in April and moves. She incurs her March shelter costs in April since that is when she is expected to repay the GR payment. Her new shelter costs also are due in April. Include both March and April shelter costs for April.

4.7 DEEMING

4.7.1 Deeming

Deem means allocate income and/or expenses to the food group from an individual not in the food group. Deeming occurs regardless of whether the allocated amounts change hands.

Deeming may occur for sponsored aliens, or for members of the food unit, who are not included in the food group due to non-financial ineligibility.

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4.7.2 Deeming from a Sponsor

4.7.2.1 Exemptions from Sponsor Deeming
4.7.2.2 Indigence Exemption
4.7.2.3 Sponsor Liability
4.7.2.4 Verification of Sponsor's Income
4.7.2.5 Exempt Immigrants

A sponsor is a person who executes an affidavit of support or similar agreement for an Immigrant. The agreement is a condition of the immigrant's entry into the US promising to provide enough support to maintain the immigrant at or above the 125 percent of the poverty level.

There are two different affidavits of sponsor deeming. Those signed prior to December 19, 1997 (I-134), and those signed on or after December 19, 1997 (I-864).

I-134 (pre- PRWORA)
The I-134 form was the primary affidavit of support form used by *INS* before December 19, 1997; it is still used in some limited cases for immigrants who enter after that date.

Deeming applies for only the first three years in the United States. *Deem* the income of the sponsor and the sponsor's *spouse* (if living together), to determine the immigrants eligibility.

I-864.
No time limit on deeming unless exemption criteria exist (4.7.2.1) or sponsor liability ends (4.7.2.3).

4.7.2.1 Exemptions from Sponsor Deeming

1. Immigrants whose sponsor has not signed a legally binding affidavit of support. This applies to immigrants whose sponsors signed affidavits of support before December 19, 1997. Immigrants, such as refugees, who are sponsored by an organization or group who also fall into this category.
2. Immigrants without sponsors.
3. Battered Spouse or *Child* Exception.
4. Sponsor in the same household. When the sponsor lives in the same household as the immigrant they are considered as one food group. Deeming does not apply because the sponsor's income is already counted. There is no deeming exemption if the sponsor receives FoodShare benefits in another household.
5. Children.
6. Indigent Exemption

4.7.2.2 Indigence Exemption

If the immigrant's household income, including any cash or in-kind assistance provided by the sponsor or others, does not exceed 130 percent of the poverty income limit for the household's size, the immigrant is entitled to an indigence exemption from deeming.

An immigrant who satisfies the indigence exemption criteria is exempt from deeming for 12 months and may be renewed for additional 12-month periods.

4.7.2.3 Sponsor Liability

Deeming of a sponsor's income lasts until:

1. The immigrant becomes a naturalized citizen.
2. The immigrant obtains 40 qualifying quarters of work.
3. The sponsor leaves the U.S.
4. The sponsor becomes exempt from deeming
5. The sponsor of the immigrant dies.
6. The sponsor signed I-134 (pre- PRWORA) and deeming applies for only the first three years in the United States.

4.7.2.4 Verification of Sponsor's Income

The eligible sponsored immigrant is responsible for obtaining the cooperation of the sponsor and for providing the agency with the information and documentation necessary to calculate deemed income. Follow normal verification procedures and change reporting requirements. Assist the sponsored immigrant if needed. If necessary, INS through its SAVE program can provide the sponsor's name, address, and *SSN*.

The immigrant or immigrant's spouse must provide:

1. The income of the immigrant's sponsor at the time the immigrant applies for *FS* . Include income of the sponsor's spouse (if living with the sponsor).
2. The number of other immigrants for whom the sponsor has signed an affidavit of support or similar agreement.
3. The provision of the INA the immigrant was admitted under.
4. The date of the immigrant's entry or admission as a lawful permanent resident as established by INS.
5. The immigrant's date and place of birth, and immigrant registration number.
6. The number of dependents for Federal income tax purposes claimed by the sponsor and the sponsor's spouse (if living with the sponsor).

The sponsored immigrant is ineligible if verification is not received timely. S/he is ineligible until verification is received. If the immigrant refuses to provide needed information, other *adult* members of the immigrant's food unit must do so. If the same sponsor is responsible for the entire food group, the entire food group is ineligible until verification is provided.

4.7.2.5 Exempt Immigrants

Do not deem to any immigrant who has been:

1. Admitted to the U.S. through Deportation Withheld section 243 or 241 of the INA.
2. Admitted to the United States as a refugee as a result of an application, after March 31, 1980, under section 207 of the INA.
3. Paroled into the United States as a refugee under section 212(d)(5) of the INA.
4. Granted political asylum by the Attorney General under section 208 of the INA.
5. A Cuban and Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980 (PL 96-442).
6. The dependent child of the sponsor or the sponsor's spouse.
7. Sponsored by an organization.
8. Admitted as a conditional entrant under section 203(a)(7) of the INA.

In addition, do not apply PRWORA sponsor deeming rules to:

9. A battered immigrant (adult or child) or the *parent* of a battered immigrant child, or the child of a battered parent as defined in 04.02.03.01, who are no longer living with the batterer, and who have demonstrated a substantial connection between the need for FS and the battering. This exemption lasts for a period of 12 months from the date of application. After 12 months the battered immigrants continue to be exempt from deeming with regard to the resources and income of the batterer only.

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4.7.3 Deeming from Ineligible Food Unit Members

If an individual food unit member has been kept out or removed from the *FS* group, it may be necessary to *deem* his or her income and/or expenses to the remaining food group as part of the eligibility and benefit determination. In some cases a pro-rated share of the ineligible individual's income or expenses is deemed to the food group. In other cases the ineligible individual's gross income or expenses are deemed to the group. In still other situations, only the amount the ineligible individual is actually contributing, or giving to the food group is considered.

Actually contributing means the person provides a portion of his/her income to the food group. To be actually contributing to shelter costs, for example, the person must pay toward the food group's shelter costs.

A prorated share or share is an evenly divided portion of something. It is the whole broken into equal parts. Divide and distribute using either the number of persons or groups involved. The proration depends on the item being prorated and the reason for the person's disqualification from the FS group.

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4.7.4 DEEMing and Ineligible Students

4.7.4.1 Student Income
4.7.4.2 Student Medical Expenses
4.7.4.3 Student Dependent Care Expense
4.7.4.4 Student Shelter Expenses
4.7.4.5 Student Utility Expenses

4.7.4.1 Student Income

Do not *deem* any of the ineligible student's income to the food group. If s/he actually contributes a portion to the *FS* group, count it as income to the FS group.

4.7.4.2 Student Medical Expenses

Do not deem any of the student's medical expenses to the FS group.

4.7.4.3 Student Dependent Care Expense

Reduce the FS group's dependent care expenses by the amount the ineligible student actually pays or contributes to any dependent care charges.

4.7.4.4 Student Shelter Expenses

If the ineligible student contributes to the group's shelter expenses in a known dollar amount, or percentage, reduce the group's expenses by the amount contributed. Do not include utilities in this computation.

If the ineligible student contributes an unknown amount, compute the FS group's expense. Prorate the total of all shelter expenses by the number of persons actually contributing toward the payment. Do not include utility expenses in this computation.

Example: A food unit of 9 includes a FS group of 6 and 3 ineligible students. Three FS group members, and 2 ineligible students together pay shelter expenses of $495. The prorated share is shelter cost divided by the number of contributors: $495/5= $99. The shares of the contributing AG members is $297 (3 AG members * $99=$297).

4.7.4.5 Student Utility Expenses

Food units that are billed for utilities should receive a standard utility allowance. Food units that include ineligible members may receive a full standard utility allowance if at least one person in the food unit is billed for at least part of a utility bill.

Example: A food unit of 7 persons includes a FS group of 5 and 2 ineligible students. They are billed for heat, electricity, and a phone and therefore receive the HSUA of $211. One of the students pays toward the utility expense and one of the AG members pays the rest. Do not prorate the standard. Budget the full $211 as the utility expense for the AG.

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4.7.5 Prorated Deeming

4.7.5.1 Pro-rated Income
4.7.5.2 Prorated Medical Expenses
4.7.5.3 Pro-rated Child Support (CS) Payments
4.7.5.4 Pro-rated Dependent Care Expenses
4.7.5.5 Pro-rated Shelter Expenses

Pro-rated deemers include individuals disqualified from FoodShare eligibility due to:

1. Non-qualifying immigration status, or
2. Failure to provide or apply for a social security number

Prorate the ineligible person's income and expenses between those in and out of the *FS* group. Calculate the amount of pro-rated income and expenses to *deem* to the FS group separately.

4.7.5.1 Pro-rated Income

If the ineligible individual has unearned income:

1. Determine his/her total nonexempt unearned income.
2. Add the number of members in the FS group to the number of ineligible persons in the food unit.
3. Divide the amount in 1 by the total in 2.
4. Multiply the result in 3 by the number of FS group members. Deem the result to the FS group.

Example: A food unit of 5 includes a FS group of 3 and 2 persons who are ineligible aliens. One alien has nonexempt unearned income of $128 per month. The figures using the formula above are: (a) $128; (b) 3+2=5; (c) 128/5=25.60; (d) 25.60 X 3 = $76.80. $76.80 is the FS group's share of the unearned income.

If the ineligible individual has earned income:

1. Determine his/her total nonexempt earned income.
2. Deduct 20 percent of the total in 1.
3. Do steps 2, 3, & 4 (above). Enter the result on line 8 of the FS worksheet. Deem the earned income of a non-FS group member as unearned income to the FS group.

4.7.5.2 Pro-Rated Medical Expenses

Do not deem any of the ineligible person's payments for medical costs for his/her own care as expenses of the FS group. Deem to the FS group a pro-rated amount of medical expenses for a group member's care billed to or paid by the ineligible person. Prorate using a ratio of FS group members to food unit members.

Example 1: The FS group includes a person who is disabled and incurs $84 a month in medical expenses. A *SSN* ineligible food unit member pays the full $84.

The food unit numbers 4 persons: 1 ineligible member and 3 FS group members. The ratio of FS group members to food unit members is 3:4.

The FS group's share is 3/4 of the expense.

$84 / 4 (food unit members) = $21.

$21 x 3 = $63 (FS group's share).

The medical deduction policy allows only the amount over $35 as a deduction.

The deduction is $28 ($63 - 35= $28).

If there were 2 SSN ineligible persons in the food unit, the ratio would be 2:4. Deem to the FS group 1/2 of the medical expense in calculating its medical deduction. This is true even if only 1 of the ineligible food unit members was billed for or paid any of the eligible member's medical costs.

Example 2: A 3 person food unit includes a FS group of 2 and an ineligible alien. The ineligible alien pays $90 a month toward the elderly FS group member's $91 monthly medical expense. The FS group pays $1. The FS group's share is $1 + 2/3 of the remaining $90. 2/3 of $90 is $60. $60 + $1= $61. $61 - $35= $26. The FS group receives a $26 medical deduction.

4.7.5.3 Pro-Rated Child Support (CS) Payments

Deem to the FS group a pro-rated share of the amount of court ordered *child* support actually paid by the ineligible member to a non-household member. Deduct all but the ineligible member's pro-rated share from the household income.

Example: A food unit of 4 includes 3 FS group members and 1 ineligible alien. The ineligible alien pays $100 legally obligated child support. The pro-rated share is $25 a person ($100 / 4).
The FS group's pro-rated child support deduction is $75 ($25 X 3), or 3/4 of the total payment.

4.7.5.4 Pro-Rated Dependent Care Expenses

Deem to the FS group a pro-rated share of the amount of the food unit's dependent care costs (Dependent Care Unit) paid by or billed to the ineligible person.

Example: A food unit of 5 includes 3 FS group members and 2 ineligible aliens. The food unit's monthly dependent care costs total $275. An ineligible food unit member is billed for a portion of that total. 1 share is $55 ($275)5). The FS group's pro-rated expense is $165 ($55 X 3), or 3/5 of the total costs.

4.7.5.5 Pro-rated Shelter Expenses

Shelter expenses either billed to or paid by ineligible members are pro-rated among all members of the food unit, including all other ineligible (non-contributing) unit members. Add the pro-rated shares of the eligible FoodShare assistance group members together to find the budgeted amount. Do not count the pro-rated portion for the ineligible member. Do this for shelter costs only but not for utility expenses.

The only exception is when only the income of eligible members is used to pay the entire shelter amount. This is regardless of whether there was a bill or who was billed. The FoodShare assistance group is entitled to the entire expense in this case.

Example 1: A household of 7 includes a food unit of 6 and a FS Assistance Group of 4 The household contains 2 ineligible aliens that are in the Food Unit because they purchase and prepare together, a mom, her 2 *kids* , her boyfriend, and a friend who doesn't purchase of prepare with the unit.

Alien 1 and Mom are responsible for the rent of $600 a month. Divide the shelter expense by the number of food unit members and multiply that by the number of remaining FS group members. $600/6 = $100. ($100) *4 = $400. Budget $400 as the rent amount. Show your calculation in case comments.

Example 2: Using the same household, assume the rent of $600 is divided between the friend, mom, and Alien 1. Do not count the friend's portion of the rent when prorating. The food unit's share of the rent is $400. Divide the shelter expense by the number of food unit members and multiply that by the number of remaining FS group members. $400/6 = $66.66. ($66.66) * (4) = $266.66. Budget $266.66 as the rent amount. Show your calculation in case comments.

Example 3: Using the same household, assume that the rent and utilities are supposed to be shared between the mom and Alien 1. However, Alien 1 is refusing to pay and mom is paying the entire rent and utilities. In this case, budget the entire expenses for the AG.

Example 4: Using a different household than those mentioned above or below, assume a family of 6 has applied for FS. The mother, father and 2 older siblings are ineligible aliens. The 2 youngest siblings are citizens and are the only AG members. The shelter expense of $575/month is in the parents' names. The food unit = 6 and the AG =2. Even though the children are not specifically obligated to pay the expenses, prorate a share of the expenses to the AG. $575/6 = $95.83. 95.83 X 2 AG members = $191.67. Budget $191.67 as the AG's shelter expense.

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4.7.6 Gross Deeming

7 CFR 273.22(c)(1)

Gross deemers include individuals disqualified from FoodShare eligibility due to:

1. *IPV* disqualification
2. *FSET* sanction
3. Fleeing felons
4. Probation or parole violators
5. Drug felony sanction, or
6. Failure to cooperate with the *child* support agency without good cause

Count these ineligible individuals' income and expenses as if s/he was a member of the *FS* group. Do not include them in the food group to determine the amount of the FoodShare benefit allotment or when comparing the food unit's monthly income with the income eligibility standards. The FoodShare group's benefit allotment cannot be increased as a result of the exclusion of one or more food unit members.

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5 SPECIFIC PROGRAMS

5.1.1 TRANSITIONAL FOODSHARE BENEFITS (TFS)

5.1.1.1 TFS Change Reporting Requirements
5.1.1.2 Sanctions and TFS
5.1.1.3 FSET Exemption for TFS
5.1.1.4 TFS Policy Exception
5.1.1.5 TFS and Companion Cases
5.1.1.6 Recertification During the TFS Benefit Period
5.1.1.7 Recertification When the TFS Benefit Period Expires

Transitional FoodShare (TFS) benefits automatically extend FoodShare benefit eligibility for 5 months to food units whose Wisconsin Works (*W-2*) or Tribal *TANF* (TT) cash assistance ends. The TFS allotment is calculated using the income (less the W2 payment), expenses, and food group size from the month prior to the last W-2 cash payment (benefit determination month). This amount is frozen for the next 5 consecutive months.

If the W-2 payment reopens after Adverse Action of the month prior to the TFS beginning, the case is entitled to the TFS frozen benefit even if there is no gap in the W-2 payment.

If the initial W-2 placement is valid the participant is eligible to receive TFS benefits when the W-2 payment ends no matter the reason it ends. This includes cases where some of the W-2 payments may be recouped from the household because the recipient failed to report a change or the worker did not end the placement correctly. If the initial W-2 placement was based on fraudulent information and the total W-2 payments are being recovered, the household is not eligible for the TFS benefit. Calculate the correct *FS* benefit based on non TFS criteria for the months the household was incorrectly open for TFS to determine if there is an over/under issuance.

5.1.1.1 TFS Change Reporting Requirements

The food unit has no change reporting requirements during the five-month TFS benefit period. Changes reported and acted upon for other programs will not change the TFS benefit amount. When a TFS case moves to another county, a recertification or review interview is not required to continue TFS.

Exceptions:
If it is reported that the primary person moves out of the TFS household , the TFS benefit will end and the case will close.

If the agency becomes aware that a TFS household moves out of state, the household's TFS benefits should end.

5.1.1.2 Sanctions and TFS

If a food unit member is sanctioned in the benefit determination month his or her individual participation status will be frozen for the five month TFS benefit period. If a food unit member's W2 cash payment ends due to a sanction, the food unit is not eligible for TFS. If a TFS food unit member receives a *child* support, drug felon, *FSET*, or *IPV* sanction after the TFS benefit determination month or during the five-month TFS benefit period the sanction will not be applied and the original benefit amount will remain frozen. If a *QC* sanction is applied during the five-month transitional period, the food unit remains eligible for TFS. If the food unit is recertified for regular FS , the food unit's current circumstances are assessed and the proper sanctions are applied.

5.1.1.3 FSET Exemption for TFS

Recipients of TFS benefits are exempt from FSET participation. The exemption begins as soon as the eligibility worker ends TT or W-2, or changes W-2 from a paid placement to a case management only placement.

5.1.1.4 TFS Policy Exception

Dual participation in FoodShare Wisconsin is prohibited. The only time a TFS benefit allotment amount changes within the five-month period is if a TFS food group member moves out and becomes eligible to receive FS in another case. The TFS group's benefit amount will be reduced due to the change in household size. The allotment amount will be adjusted to the new household size. Income and expenses used in the original TFS benefit determination will remain the same even if the income or expenses belonged to the individual who left the household. This recalculated benefit amount will remain the same for the remainder of the five-month benefit period. Should that same person move back into the original TFS household, the benefit amount will remain at the reduced amount for the rest of the five-month period.

The dual participation policy is explained to the FS recipient in the initial TFS notice and an additional notice will be sent if the allotment is reduced.

Example 1: Sally and her two roommates share the same apartment and receive FS on the same case. Sally stopped receiving her W-2 payment in June because her only child graduated from high school and moved out. The FS food unit consisting of Sally, her son and her two roommates receive TFS for 5 months. The household size and the allotment did not change because

Sally's son never applied for his own FoodShare benefits after he moved out of the household.

If Sally's son begins receiving FS in another case, Sally's FS benefit would be reduced automatically at Adverse Action.

If a TFS food unit reports that they moved into a household with individuals who are required to be included in the same food unit as the TFS food unit, the newly configured food unit must decide whether to:

1. Reapply for regular FS with the new members and end the TFS benefit; or
2. Add the new household members to an open TFS FS case (the TFS benefit amount is frozen and will not increase if new members are added), or
3. Add the TFS members to the existing regular food unit and end the TFS.

Example 2: Rosa, a 20 year-old mother of two, received her second TFS benefit allotment in June. Rosa called her worker to report a change in address and that she and her children are now living with her parents (who also have an open FS case). The worker explained that because Rosa is under 22, she must be included in the same food unit as her parents. She and her parents can decide whether to add the parents to the TFS case or if Rosa and her two children should join the parents' FS case. The worker ran a simulated case that showed the benefit allotment would be greater if Rosa's parents were added to her TFS food unit. The parents' FoodShare case is closed and the worker adds Rosa's parents to her TFS case.

5.1.1.5 TFS and Companion Cases

The entire food unit, whether or not the individual members are included in the W-2 assistance group, are eligible for TFS if a W-2 or TT cash payment ends.

Example: Simon, along with his two brothers, lives with their sister Dana and her two children. They are all part of Simon's food unit. Dana has been receiving a monthly W-2 payment but recently started a new job. Dana receives her last cash payment July 1st. Dana's W-2 payments ending makes Simon's entire food unit eligible for TFS. Simon's TFS benefit period will begin August 1st and the TFS benefit includes himself, his two brothers, their sister Dana and her two children.

A food group that includes two W-2/TT groups who both receive a cash payment would be eligible for TFS if one W-2 or TT group stops receiving a W-2 or TT cash payment. If the other W-2 or TT group stops receiving a W-2 or TT payment

during the five month benefit period, the TFS benefit amount remains frozen at the original amount. No additional months are added to the TFS five-month benefit period.

5.1.1.6 Recertification During the TFS Benefit Period

TFS food units may request a recertification for regular FS at any time during the five-month TFS benefit period. If a food unit requests to end their TFS benefits and be recertified for regular FS benefits, the worker can determine a regular FS allotment amount. The recipient has the choice of which allotment they will receive. If the recipient chooses to receive regular FS benefits and end the TFS benefit, a recertification including a review interview must be completed.

5.1.1.7 Recertification When the TFS Benefit Period Expires

The TFS benefit period will end after five consecutive months. To continue receiving FS benefits the food unit must complete a recertification including a review interview before the end of the 5th month in the TFS benefit period.

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5.2.1 FS-E

Individuals and their spouses may be a separate food unit even if they are living and eating with others if all 3 of the following are true:

1. They are age 60 or older.
2. They can not purchase and prepare their own meals because of either:
    a. A disability the *SSA* considers permanent.
    b. Some other permanent physical or mental non disease-related disability.
3. The gross monthly income of the persons with whom the elderly and disabled person(s) (and *spouse*, if any) resides does not exceed 165% of the federal poverty level for the number of others in the household.

When computing gross income to compare to the 165% FPL, do not include any income of the elderly and disabled person or his/her spouse.

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5.3.1 EMERGENCY FOODSHARE BENEFITS FOR VICTIMS OF NATURAL DISASTERS

Emergency *FS* Assistance policies are used when the United States Secretary of Agriculture determines that a disaster has occurred and officially declares an FS emergency. DHFS will notify the appropriate county/tribal/*W-2* FoodShare agencies when this happens and work with the local agency to provide emergency FoodShare benefits.

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6 ONGOING CASE MANAGEMENT

6.1 CHANGES

6.1.1 Change Reporting

7 CFR 273.12

6.1.1.1 Change Reporting for EBD Food Units with no earnings
6.1.1.2 Change Reporting for All Other Food Units

Change reporting policy depends on the type of food unit. There are two:

1. *EBD* Food Units with no earnings, or
2. All other Food Units

6.1.1.1 Change Reporting For EBD Food Units with no earnings

Elderly, Blind, or Disabled (EBD) Food Units are those where all food unit members are elderly, blind, or disabled. If no one in this food unit has earned income, these food units are required to report the following changes within 10 days:

1. Number of people in the home:
    a. When a person is born or dies
    b. When someone moves in or out
2. Income:
    a. Unearned: New source- increases of more than $100 per month in *child* support income; increases of more than $50 per month in other types of unearned income.
    b. Earned: Changes in the source of income (a new job must be reported within 10 days from the start of the job, not from when the recipient received the job.
3. Address/Shelter Expense:
    a. New address when a move takes place.
    b. Change in shelter and utility expense obligations if a move occurs.

Changes must be reported to the *FS* agency within 10 days of the date the change is known to the food unit, except for reporting receipt of a new job. Then the change must be reported within 10 days from when the job starts.

6.1.1.2 Change Reporting for All Other Food Units

All other food units are only required to report if their total monthly gross income exceeds 130% of the Federal Poverty Level (FPL) for their reported food unit

size. This change must be reported by the 10th of the month following the month in which the total income exceeded 130% of the FPL.

As long as a food unit's total income is less than 130% of the FPL, a food unit need not report changes in income, assets, address changes, household composition, etc.

If a food unit has reported total income exceeding 130% FPL for their food unit size, and the food unit remains open for FS due to categorical eligibility, the food unit has fulfilled their change reporting requirement for the remainder of the FS certification period.

However, if any change is reported, or becomes known to the agency it must be acted upon.
See Chapter 5 for change reporting requirements for Transitional FoodShare (TFS) recipients.

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6.1.2 Six Month Reporting Requirement

Food units certified for 12 months, and subject to reduced change reporting requirements, are required to submit a six-month report form (SMRF) in the sixth month of the certification period. Using the SMRF, these food units are required to report and verify the current gross earned and unearned income received by all household members. Self-employment income that has already been averaged does not need to be re-verified, unless a significant change is reported.
Other changes that must be reported on the interim report are:

1. Household composition (persons that have moved in or out, including newborns)
2. New address and resulting changes in shelter and utility expenses
3. New or ended sources of earned income (4.3.2) (including self-employment) (4.3.3)
4. Change in legal obligation to pay *child* support (4.6.5)

Any changes reported must also be verified. An *adult* household member must sign the interim report form.

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6.1.3 Timely Action on Reported Changes During the Certification Period

6.1.3.1 Changes “Verified on Receipt”

6.1.3.2 Changes that cause an increase in benefits, including Person Adds
6.1.3.3 Person add following a sanction (re-request)
6.1.3.4 Changes that cause a decrease in benefits

7 CFR 273.12(c)

Local agencies may not require *FS* recipients to report for an office interview during their certification period though they may request them to do so.

ESS must act promptly on all reported changes. Recipients are allowed 10 days to report changes required for program eligibility. Recipients must be allowed an additional 10 days to provide verification of the change. Per federal Quality Control policy, this 10-day verification time frame runs simultaneously to the timeframe allowed for ESS to act on a reported change.

ESS action on changes is more dependent on:

1. The time of the month that a change is reported and
2. Whether verifications (1.2.1) are provided timely.

Action on changes also depends on if the change will cause a FS case to close, or if it will cause an increase or decrease in the benefit allotment.

An ESS should act on a sanction request immediately, but has 10 days to process the request. However, the ESS should try to enter the sanction before the next adverse action (6.3.1) in *CARES*.

Example 1: Lisa reports on June 29 that she started a job on June 19. Her worker must request verification and allow Lisa 10 days to provide it. If verification is requested on June 29, it will be due July 09. Her ESS will have time to process the verification and issue proper notice to Lisa by adverse action in July. If the worker fails to act on the change by not requesting verification until July 09, Lisa would have until July 19 to provide the verification, which is after adverse action. In this case it is likely that August benefits would be in error due to worker failure to act promptly on the reported change.

Example 2: Fred is an ESS and receives a sanction request for Jane Doe on the 12th of June. He officially has 10 days to process the sanction. Adverse action is on June 18, so he makes sure he acts on the sanction before the 18th. However, if he does not, the case would not be in error unless he did not act on the sanction until after AA in July.

FS applicants and recipients must be allowed a minimum of 10 days to provide verification of a reported change even if the change is not reported timely. If a reported change is considered to be "verified on receipt" a worker has up to 10 days to act on the change.

6.1.3.1 Changes “Verified on Receipt”

Some examples of changes considered to be "verified on receipt" are:
1. Data exchange (8.3.11) information that does not require further contact with the client,
2. Changes reported by a recipient that do not require further verification, or
3. Adequate verification submitted with a change report.

Example 1: Jim is certified for FS from May through October. Jim reports on July 12 that he started a job on July 01. His ESS gathers information about the employment from Jim and enters a ? in CARES in the verification field to generate a request for verification due July 22. If verification is not received before July 23, the ESS enters NV in CARES to close Jim's FS case effective August 31 for failure to verify information. If Jim provides the requested verification by August 31 his FS case is reopened effective September 01 without a new application being required.

Example 2: Julie reports on July 12 that she started a job on May 17. Her ESS gathers information about the employment from Julie and enters a ? in CARES in the verification field to generate a request for verification due July 22. If verification is not received by the verification due date, the ESS enters NV to close Julie's FS case effective August 31 for failure to verify information.

If Julie provides the requested verification by August 31 her FS case is reopened effective September 01 without a new application being required.

6.1.3.2 Changes that cause an increase in benefits, including Person Adds

7 CFR 273.12(c)(1)

All reported changes that cause an increase in the FS benefit including person additions (“adds”), decreases in income of $50 or more, increases in expenses, etc., will be effective the first of the month following the report month if required verifications are received within 10 days of the request for verification.

Required verifications are due within 10 days of the request, including verifications required for a person add. If verifications are not received within 10 days, and the FS case is not closed for at least one day, make the change effective the first of the month following the month verifications are received.

Example 1: Baby is born June 25, and is reported June 27. Supplement FS effective July 1.

Baby is born June 2, and is reported June 25; supplement FS effective July 1.

Baby is born June 27, and is reported July 1; add baby effective August 1.

Example 2: Lisa reports on March 5 that her husband left the home on February 27. He was employed and his leaving causes a decrease in Lisa's household income of more than $50.

The ESS would redetermine the prospective estimate of Lisa's household income for April and issue benefits for April based on the new estimate.

Example 3: Lisa reports on March 25 that her rent is increasing for April. She submits verification of the increase to her ESS on April 2, within 10 days.

The ESS makes the change to increase Lisa's FS benefit effective April 1 and issues a supplement for April. If Lisa had reported the rent increase on April 2, the FS benefit increase would have been effective May 1.

Example 4: Emmy reports on March 30 that her sister Taylor moved in on March 29. Verifications are received within 10 days on April 5.

Taylor is added to Emmy's FS case effective April 1, and a supplement is issued for April.

If verifications are not received within 10 days, and the FS case is not closed for at least one day, make the change effective the first of the month following the month verifications are received.

Example 5: Dave reports on March 25 that his Uncle Joe moved in on March 15.

Dave's ESS requests verification of Uncle Joe's information including his income. Verification is due April 4. As of April 5, verification is not received and the ESS closes Dave's FS case effective April 30, sending Dave a negative notice indicating that he will not receive FS for May.

The ESS receives the requested verifications for Uncle Joe on April 28. FS remain open. Uncle Joe is added effective May 1. If verifications were submitted on May 2, Dave would be required to submit a new application for FS.

6.1.3.3 Person Add Following A Sanction (Re-Request)

If an individual is requesting to be added to the FoodShare group following a disqualification due to *IPV*, failure to comply with *FSET* requirements, failure to comply with other FS program requirements, or was an ineligible alien, eligibility for the previously excluded person will be effective the first of the month following the period of disqualification, or the first of the month following their request to be added back to the FS group, whichever is later.

Example: Lisa's husband Jim fails to participate in FSET and is sanctioned from August 1 – August 31. Lisa calls on August 25 and requests that Jim be added back to the FS group on September 1. Verification is complete.

The ESS adds Jim to the FS group effective September 1. If Jim is a mandatory FSET participant, the referral to FSET would not be effective until September 1.

If Lisa's request for Jim to be added back to the FS group was made on or after September 1, he would be added to the group effective the first of the month following the request.

6.1.3.4 Changes That Cause A Decrease In Benefits

7 CFR 273.12(c)(2)(i)

For reported changes that result in a decrease in benefits, process the change to allow for adequate negative notice to be issued to the customer.

Example: Lisa reports on June 3 that her husband moved back into the home on May 29.
The ESS adds the husband to CARES and requests verification of his income. His income will cause a decrease in FoodShare benefits. Lisa provides the verification on June 10. Notice of a decrease in benefits is issued at adverse action in June and benefits are decreased for July.

If verification is not provided within 10 days, the ESS would enter an 'NV' on AFEI and FoodShare benefits would close June 30 for failure to verify income.

Remember to adequately verify and document all reported changes.

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6.1.4 Changes in Expenses

If a customer reports a new expense as the result of a change in the source of the expense, end date the previous expense in *CARES* and enter the new expense and source. The expense must be verified in order to be counted.

Example 1: Lisa reports on June 20 that she and her family will be moving on July 1. Her new rent amount will be $600 per month.

Her worker end dates her June shelter expense, enters the new shelter expense in CARES for July, and requests verification.

If this change results in an increase in Lisa's *FS* benefit, and Lisa submits verification within 10 days, her *ESS* will issue a supplement for July. If the change was reported in July (and verified timely), Lisa's FS benefit would increase for August.

If Lisa does not verify the expense within 10 days, the ESS will enter an 'NV' for the rent and the expense would not be allowed. If Lisa later provides verification, the expense would be allowed effective the 1st of the month following the receipt of the verification.

If a customer reports an increase in an expense from the same source the previous verified expense is counted until the increase is verified or until the next review is completed.

Example 2: Lisa reports on September 15 that her landlord will be increasing her rent to $650 per month in October. She has not moved.

The ESS requests verification of the increased rent by entering $650 as the new rent amount with a "?". A verification request will be generated by CARES requesting verification of the new rent amount within 10 days. The previous verified expense of $600 is allowed until the increase is verified since CARES will continue to issue the previous confirmed FS benefit while the verification of the new shelter expense "pends".

If Lisa does not provide verification of the increased rent amount within 10 days, the ESS would re-enter the previously verified expense of $600 with the previous verification code. The $600 expense would be allowed until Lisa's next review or until verification of the increased rent amount is provided.

When Lisa completes her review, the current shelter expense ($650 in this example) must be verified in order for the expense to be allowed. If the $650 expense is not verified timely following the review interview, the ESS will enter 'NV' for the expense.

If a customer reports a decrease in an expense from the same source the new expense must be verified in order to be allowed.

Example 3: Lisa calls in December and reports that her monthly *child* care expense will be decreasing from $250 to $150 in January. She has not changed providers. The ESS changes the child care expense amount to $150 in CARES and requests verification. If verification is not provided within 10 days, the ESS enters 'NV' for the expense and the expense is not allowed.

Since this change will cause a decrease in benefits, adequate time for verification and negative notice must be allowed. The expense of $250 must be allowed until the new amount is verified or an 'NV' is entered.

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6.2 TRANSFERS

6.2.1 Case Transfers

7 CFR 273.3(b)

When a *FS* case moves from one agency to another within Wisconsin, the agency is responsible for transferring the case from the old county of residence to the new county of residence. When an inter-county move is reported or discovered, the agency that is notified or discovered the move is responsible for collecting the necessary verification and transferring the case.

Once a case has been transferred to a new agency, it should not be transferred back unless the transfer-out agency has to process an overpayment or close out a *W-2* placement. If there are questions about the information entered on the case or problems with the way the case was transferred, the new worker should contact the old worker to get the required information. Do not transfer the case back to the transfer-out agency to have them complete outstanding items.

NOTE: See 5.1.1 for policy related to transferring TFS cases

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6.3 NEGATIVE NOTICES

6.3.1 Negative Notices (Notice Of Adverse Action)

7 CFR 273.13

A notice of adverse or negative action, regarding the termination or reduction of benefits must be mailed at least 10 days before the effective date of the action. When the last of these 10 days falls on a weekend or holiday extend the notice of adverse action period to the next working day. Continue or reinstate *FS* benefits if you or OAH receive the fair hearing request the first day following the weekend or holiday.

The notice period will run from 10 to 13 days depending on the date the notice is mailed.

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6.4 FAIR HEARINGS

6.4.1 Fair Hearings

If the food unit disagrees with an agency action or the amount of FoodShare benefits, they may request a fair hearing (*IMM* II, G). The request must be within 90 days of the notice of decision that the food unit is contesting. Food units appealing an agency decision by requesting a fair hearing must do so prior to the effective date of the change or termination in order to have their benefits continued at the previous level while the hearing is pending.

While the fair hearing is pending, issue the *FS* group the lost benefits as determined by the agency. Issue FS based on the fair hearing decision, even if the benefits are undeliverable and returned to inventory. Do not require another fair hearing (when the fair hearing decision was made within the last 12 months) or any other administrative action before you restore lost benefits.

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7 BENEFITS

7.1.1 ALLOTMENTS

7.1.1.1 Initial Allotment
7.1.1.2 Initial Allotment for Migrant and Seasonal Farm Workers
7.1.1.3 Initial Allotments for Expedited Issuance
7.1.1.4 Minimum Allotment for 1 or 2 Person Food Units
7.1.1.5 Replacement Issuance for Destroyed Food
7.1.1.6 Voluntarily Refunded Food Stamp Coupons
7.1.1.7 Deny Benefit Increases Due To Penalties In Other Programs

Determine *FS* benefit allotment amounts using the information provided in Chapters 1-6. (See 8.1.8.)

7.1.1.1 Initial Allotment

An initial FS allotment is pro-rated from the application filing date, unless the pro-rated initial allotment amount is less than $10. Initial allotments of less than $10 are not issued. Issue a pro-rated allotment if a new application is required due to a “break in service” because of a client-caused delay (2.1.1). There is an exception for food units that include a *migrant* or seasonal farmworker and have continuing FS eligibility (7.1.1.2).

Ongoing auxiliary amounts of $1, $3, and $5 will continue to be rounded up to $2, $4, and $6.

Example 1: Marge's income increased when she got a new job and her case closed May 31. She lost her job and reapplies on June 16. She is found eligible and will receive prorated benefits for June.

Example 2: Vera's case closed Nov. 30. She reapplies on Jan. 3 and is found eligible and will receive prorated benefits for January.

Do not pro-rate an allotment in the month following FS case closure if a break in service occurred due to an agency-caused delay (2.1.1).

Example 3: Jeff receives notice of an appointment for a recertification interview in the last month of his certification period (July), but cannot attend the appointment because he is working. He asks to reschedule the appointment, but the next appointment the FS worker has available is August 5th. Jeff completes the recertification interview on August 5th, and provides all

verification by August 8th. Do not prorate benefits for August. Issue benefits from the first of the month. DOCUMENT in case comments the reason for the delayed recertification.

7.1.1.2 Initial Allotment for Migrant and Seasonal Farm Workers

The initial allotment is not pro-rated for food units that include a migrant or seasonal farm worker when at least one food unit member has participated in the FS program during the 30-day period before application. These food units have continuing eligibility for FS.

Example 1: A migrant household arrives in Wisconsin from Texas on April 20 and applies for FS. Their FS case closed in TX on March 31. Their first month of eligibility (April) is not their initial month. Consider it a continuation of benefits and issue a full allotment for April.

Example 2: A migrant household arrives in Wisconsin on May 5 and applies for FS. Their case closed on March 31 in Texas and they did not receive FS benefits in April or May. The initial month of eligibility is May. Since it has been more than 30 days since the last receipt of FS, pro-rate benefits from the date of application.

7.1.1.3 Initial Allotments for Expedited Issuance

FS groups that have an application filing date after the 15th of a month and are found eligible for expedited issuance must receive a combined allotment for months 1 and 2.

7.1.1.4 Minimum Allotment for 1 or 2 Person Food Units

Categorically eligible food units that include 1 or 2 persons are eligible for a minimum $10 allotment, except for the initial pro-rated benefit.

7.1.1.5 Replacement Issuance for Destroyed Food

Replace food purchased with FoodShare benefits and destroyed in a household misfortune or disaster up to the actual amount destroyed but not more than 1 month's allotment. A replacement issuance shall be provided only if a household reports the loss orally or in writing to the agency within 10 days of the date the loss occurred.

A household may experience such a loss more than once. There is no limit to the number of replacement issuances.

A replacement issuance must be provided to the household within 10 days after report of the loss. Verify the household misfortune or disaster through the fire department, police department, a community organization such as the Red Cross, a collateral contact or home visit.

Deny or delay a replacement issuance if available documentation indicates that the household's request for replacement appears to be fraudulent.

Inform the household of its right to a fair hearing to contest the denial or delay of a replacement issuance. Replacements shall not be made while the denial or delay is being appealed.

7.1.1.6 Voluntarily Refunded Food Stamp Coupons

Return to DHFS any food stamp coupons refunded to you by an FS group at your earliest opportunity. Void the stamps and send them to Tim Burnett at P.O. Box 2057, Madison, WI 53701-2057. List the household, case number, benefit number or month of benefit, amount returned and reason for return.

Food stamp coupons may be returned because the FS group refunds them or the coupons were found. Document the case record appropriately.

7.1.1.7 Deny Benefit Increases Due To Penalties In Other Programs

Do not increase a FS group's allotment when an individual's cash benefits under any other federal, state or local means-tested public assistance program are reduced for failure to perform an act required by the other program. Specifically:

1. Failure to comply with work programs, or
2. Failure to comply with school attendance requirements (Learnfare), or
3. An act of fraud under that program.

Example: A *W-2* participant intentionally fails to comply with a W-2 requirement and is sanctioned $70.00 for non-participation. The W-2 group will only receive a check for $603.00, however, the full amount of $673 must be budgeted for FS.

Means-tested public assistance programs include, but are not limited to, W-2 or the Refugee Assistance Program. *SSI* is not considered a means-tested program for these requirements.

Do not apply this policy if the FS group, or a new individual in the FS group, are determined ineligible for the means-tested program at application. The household must already be receiving benefits, and the failure to comply must result in a reduction, suspension, or termination of those benefits.

No increase in the FS allotment should be made for the duration of the penalty period. If other reductions or changes to the other program's benefits occur during the penalty period which are unrelated to the failure to comply, the FS allotment must be adjusted accordingly.

If the person or FS group is subject to a penalty period in both the FS program and another program, apply the FS penalty period first. If the other program's penalty period is longer, that penalty will continue after the FS period is completed.

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7.2.1 ELECTRONIC BENEFITS TRANSFER (EBT)

Click on the link below to go to a pdf version of the EBT chapter. The EBT chapter contains information on the QUEST card and EBT policy and procedures.

To print the EBT chapter, you must open it and choose to print from within Adobe Acrobat.

http://dhfs.wisconsin.gov/em/fsh/EBT.pdf

Local Agency EBT Troubleshooting Contact List

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7.3.1 BENEFIT OVERISSUANCE

7.3.1.1 Overissuance Claims Against Food Units
7.3.1.2 Liability
7.3.1.3 Offsetting an Established Claim Amount
7.3.1.4 Exception
7.3.1.5 Moves
7.3.1.6 15% Local Agency Retention

7.3.1.7 Overissuances Due to Receipt of Tribal Food Distribution and FS in the Same Month
7.3.1.8 Notice of Overissuance
7.3.1.9 Overissuances Due to Client & Non-Client Error

7.3.1.1 Overissuance Claims Against Food Units

Establish a claim against any *FS* group that has received more FS than it was entitled to receive.

There are three types of overpayment claims: client error, nonclient error, and Intentional Program Violation (*IPV*). Collect claims for all types of errors, regardless of the date of origin. Only collect the amount of the claim.

Use actual income and circumstances when calculating overpayments. In claim calculations, *disregard* income from sources that were not previously reported and were not required to be reported.
As part of application and review processing, determine if the FS group has any outstanding claims.

7.3.1.2 Liability

7 CFR 273.11(e)(6)

All *adult* food unit members at the time the overpayment occurred are liable for repayment of any overissued FoodShare benefits. If a liable individual moves to another household, the claim follows him/her to the new household. Also apply the claim to any remaining adult food unit members. An individual living in the household, but not included in the food unit would not be responsible or liable for the overissuance to the food unit.

An authorized representative applying on behalf of a resident of a drug or alcohol treatment center, or a group living arrangement (GLA) (3.2.1.5), is responsible and liable for any FS overissuances to the recipient due to misrepresentation or Intentional Program Violation which the authorized representative knowingly commits in the certification of center or GLA residents.

7.3.1.3 Offsetting an Established Claim Amount

Offset an existing FS overissuance (claim) with the calculated FS underissuance (restoration) amount when both situations exist. Offset the claim against any amount that has not been restored to the FS group. You may offset a suspended or terminated claim amount against an underissuance amount..

7.3.1.4 Exception

An initial allotment must not be reduced to offset a claim. This includes retroactive initial allotments. Person Adds are not initial allotments. Therefore, you can offset claims against person add auxiliaries.

7.3.1.5 Moves

Pursue collection of FS claims even if the FS group moves out of a county/tribal area or out of Wisconsin.

The agency that overissued benefits to the group has the first opportunity to collect an over-issuance. If the agency does not act promptly to collect, and the group moves, the new agency can begin collection action. The new agency must contact the agency that overissued the benefits to see if they intend to pursue collection.

7.3.1.6 15% Local Agency Retention

When the cause of overissuance is client error, the local agency that establishes the claim may keep 15% of any collection that is made against that claim.

When the cause of overpayment is an IPV, the local agency may, in some circumstances, keep 15% of any collection against the claim.

7.3.1.7 Overissuances Due to Receipt of Tribal Food Distribution and FS in the Same Month

A FS group cannot receive commodities from a Tribal Food Distribution program (3.11.1) and FS at the same time. Make a claim against any group that receives FS in the same month it also participates in a Tribal Food Distribution Program. If the FS group receives:

1. FS and then receives Food Distribution Program commodities in the same month, the Food Distribution agency must process the claim.
2. Food Distribution Program commodities and then receives FS in the same month, the FS agency must process the claim

7.3.1.8 Notice of Overissuance

A Notice of FS Overissuance, a completed FS Overissuance Worksheet, and a FS Repayment Agreement must be sent to the client for all types of claims.

Attempt a personal contact with the FS group in your initial collection efforts. The local agency may request the repayment be brought before the court or addressed in an agreement reached between the prosecutor and accused person.

All Repayment Agreements are due on the 25th of the month. In all cases, if the FS group is receiving FS benefits, recoupment will take place. If the client signs and returns the repayment agreement, they are expected to make a monthly repayment in addition to the recoupment from the FS benefit allotment.

If FS benefits are not being issued and the client does not sign and return the FS Repayment Agreement, dunning notices will be issued through *CARES*. The local agency may also pursue other collection action. The State of Wisconsin Public Assistance Collection Unit may also pursue collection action.

If the group fails to make a scheduled payment or underpays, send a dunning notice stating that the group must contact the local agency to renegotiate the payment schedule.

The group must either:

1. Negotiate a new schedule, or
2. Pay the overdue amount and continue to pay based on the previous schedule.

7.3.1.9 Overissuances Due to Client & Non-Client Error

A client error occurs when the overissuance was caused by an unintended error:

1. On the part of the FS group.
2. Due to continuation of benefits pending a fair hearing decision.

A nonclient error occurs when the State or local agency:

1. Takes an incorrect action on a FS case,
2. Fails to correct an action.

Do not establish a claim if an overissuance occurs because the agency did not ensure that a household did any of the following:

1. Signed the application form.
2. Completed a current work registration form.
3. Applied in the correct project area.

Do not establish a claim if Social Security or *SSI* updates from data exchange are incorrect. These updates cannot be recovered or found in error because the information comes from a trusted 3rd party source.

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7.3.2 CALCULATING OVERISSUANCE CLAIM AMOUNTS

7.3.2.1 Client Error
7.3.2.2 Collecting Client and Nonclient Error Claims Against Participating Households
7.3.2.3 Collecting Claims for Client & Non Client Errors Against Non-Participating Household
7.3.2.4 IPV
7.3.2.5 Calculate IPV Claims
7.3.2.6 Allotment Reduction
7.3.2.7 Writing-Off Claims Against Non-Participating Households
7.3.2.8 Overpaid Claims
7.3.2.9 Timely Negative Notice
7.3.2.10 Tax Intercept
7.3.2.11 Notice & Review
7.3.2.12 Repayments

7.3.2.1 Client Error

Establish a claim for a client error that occurred when the FS group unintentionally:

1. Failed to provide correct or complete information.
2. Failed to report a change that was required to be reported.
3. Received FS for which it was not entitled pending a fair hearing decision.

When overissuance is because the group did not timely report a change, begin with the month the overissuance was discovered and extend backward:

1. Six years, or
2. To the month the change would have been effective had the group timely reported it, whichever is most recent.

The month the change would have been effective cannot be more than 2 months after the change in circumstance actually occurred.

Do not apply the 20% earned income deduction to earned income which was required to be reported, and was not reported timely. If expenses were reported correctly at the time of the overissuance, use the same expenses when calculating the overissuance. If not, then do not use the expenses in the calculation. In claim calculations, *disregard* income from sources that were not previously reported and were not required to be reported.

Establish a claim for a nonclient error that occurred when the agency:

1. Did not take prompt action on a change the FS group reported, or

2. Incorrectly computed the group's income or a deduction, or
3. Continued to give the group FS after its eligibility ended, or
4. Did not reduce the group's FS to correspond with a *W-2*, *SSI*, or *GR* grant increase.

The overpayment period for nonclient errors begins with the month the error is discovered and extends back 12 months or when the error was effective, whichever is most recent.

When determining if an overissuance occurred due to an unreported increase in total gross monthly income, compare the total actual unconverted income amount to the income reporting limit for the household size to determine if the income should have been reported. Enter the converted income amount to determine ongoing benefit eligibility. Use the actual income and expenses reported or required to be reported for each month of the adjustment period. In claim calculations, disregard income from sources that were not previously reported and were not required to be reported.

7.3.2.2 Collecting Client and Nonclient Error Claims Against Participating Households

Establish collection of overissuance claims against participating households unless:

1. The claim is collected through an offset, or
2. Claims are protected by the Federal Bankruptcy Code

Do not charge any interest on the claim.

If the client wishes to pay the whole claim at once, s/he may do so.

A *participating household* is defined as a food unit or AG that is still open and receiving FS benefits.

7.3.2.3 Collecting Claims for Client & Non Client Errors Against Non-Participating Households

Establish overissuance claims for non-participating food units only if the amount of the claim is $125.00 or more.

A non-participating household is defined as a food unit or AG that is closed and not receiving FS benefits.

7.3.2.4 IPV

Establish a claim due to an Intentional Program Violation (*IPV*) only when one of these conditions exists. The food unit member:

1. Signs a waiver of the disqualification hearing, or
2. Signs a disqualification consent agreement after being referred for prosecution, or
3. Is convicted of a FS felony or found guilty of IPV in an Administrative Disqualification Hearing or judicial proceeding.

Conduct which may lead to an IPV determination for an individual include:

1. Making false or misleading statements or misrepresenting, concealing or withholding facts to become eligible or to remain eligible for benefits, or
2. Committing any act that constitutes a violation of FoodShare regulations or state statutes relating to the use, presentation, transfer, acquisition, receipt or possession of FS, i.e., trafficking FS.

If you have a pending IPV hearing, establish the claim as a nonclient error. If the case has been referred to the DA for prosecution, discuss the claim establishment with the DA or your legal counsel.

If the DA or your legal counsel advises that processing a claim as a client error may create bias against an IPV judgment, do not process the claim until the IPV determination is made.

7.3.2.5 Calculate IPV Claims

For eligibility-related IPV claims, do not apply the 20% earned income deduction to earned income which was required to be reported, and was not reported timely. If expenses were reported correctly at the time of the overissuance, use the same expenses when calculating the overissuance. If not, then do not use the expenses in the calculation.

In claim calculations, disregard income from sources that were not previously reported and were not required to be reported.

For trafficking-related claims, establish the claim as determined by:

1. the individual's admission, or
2. the amount ordered through adjudication, or
3. the documentation that forms the basis for the trafficking charge.

Offset the IPV claim against any restoration amount owed to the group. Start collection action for the remaining balance.

Start the IPV procedure for collection from its initial step whenever a client error is later determined to be an IPV. You must collect an IPV claim previously handled as a client error claim.

1. Recalculate the claim amount as an IPV type, and
2. Send the FS group a new Notice of FS Overissuance showing IPV as the reason, and
3. Send a new Notice of Repayment Agreement.

Do not charge any interest on the claim.

When an overissuance occurs because a food unit member intentionally did not report a change that was required to be reported, begin with the month you discover the overissuance and extend backward:

1. Six years, or
2. To the month the change would have been effective had the group timely reported it, whichever is most recent.

The month the change would have been effective cannot be more than 2 months after the change in circumstance actually occurred.

When an overissuance occurs because of an IPV, begin with the month you discover the overissuance and extend backward 6 years. Go back from the discovery date, not the hearing date.

7.3.2.6 Allotment Reduction

An overissuance due to any type of error will be recovered from a FS group participating in the program by reducing their allotment.

The type of error determines the amount that will be recovered each month.

1. Client/Nonclient error. *CARES* will reduce the allotment by the greater of 10% of the group's monthly allotment, or $10 each month. The $10 minimum benefit level for 1 or 2 person groups applies before CARES reduces the allotment.
2. IPV. CARES will reduce the allotment by the greater of 20% of the group' monthly entitlement or $10 each month. The entitlement is the amount of benefits the group would have received if not for the disqualification of a FS group member. The $10 minimum benefit level for 1 or 2 person groups applies before CARES reduces the allotment.

7.3.2.7 Writing-Off Claims Against Non-Participating Households

Claims against non-participating households may be written off if reasonable collection efforts have been made and the debt is determined to be uncollectable. Recommendation to write-off can be made if proper documentation is submitted to demonstrate that the claim meets any of the following criteria:

1. It is found to be invalid in a fair hearing, administrative or judicial decision.
2. It is against a household in which all *adult* members are deceased and the State does not plan to pursue collection against the estate.
3. It has been discharged through bankruptcy or a bankruptcy stay is in effect.
4. It cannot be substantiated from case records.
5. The state agency has determined, after exhausting collection efforts, that it is not cost-effective to collect the claim. If the request to write off the claim is made on this basis the following criteria should be used:
    a. The claim has an outstanding balance of $24 or less and has been past due for 90 days or more.
    b. The claim is from $25 to $499 and:
        i. Three past due notices have been sent,
        ii. It was referred for tax intercept, if the tax intercept was successful the account
        iii. should remain open for 3 years or until paid in full, and
        iv. It has been past due for 3 years.
    c. The claim is from $500 to $4999 and:
        i. Three past due notices have been sent,
        ii. It was referred for tax intercept (if the tax intercept was successful the account should remain open for 5 years or until paid in full),
        iii. It has been considered for referral to a collection agency or credit bureau, and
        iv. It has been past due for 5 years.
    d. The claim is over $5000 and:
        i. Three past due notices have been sent,
        ii. It was referred for tax intercept (if the tax intercept was successful the account should remain open for 10 years or until paid in full),
        iii. It has been considered for referral to a collection agency or credit bureau, and
        iv. It has been past due for 10 years.

Documentation of the following information is required:
1. The age of the claims,
2. Actions taken to collect,
3. Documents relevant to the specific claim, e.g., death certificates, bankruptcy discharge orders, administrative or judicial decisions.

Recommendations for the writing-off of claims must be submitted to the Public Assistance Collection Unit P.O. Box 8938, Madison, WI 53708-8938.

7.3.2.8 Overpaid Claims

If a group has overpaid a claim, refund the amount overpaid as soon as you discover it. Request reimbursement from DES. Follow the instructions in the Accounting Reports Manual, IV.

7.3.2.9 Timely Negative Notice

FS benefits issued solely because the 10-day negative notice requirement cannot be met, are not an overissuance. Do not establish a claim or recover this type of issuance.

7.3.2.10 Tax Intercept

The State of Wisconsin Public Assistance Collections Unit uses tax intercept from both state and federal tax refunds to recover overpayments from anyone who has become delinquent in repayment of an overissuance.

To use tax intercept, the person must have received three or more dunning notices and the debt must be:

1. Valid and legally enforceable.
2. State: All error types.
   Federal: All error types.
3. State: At least $20.
   Federal: At least $25.
4. State: At least 30 days from notification of overissuance.
   Federal: Not more than 10 years past due from notification date except in fraud cases. There is no delinquency period for fraud.
5. Free from any current appeals.
6. Incurred by someone who has not filed bankruptcy, nor has their *spouse*.

7.3.2.11 Notice & Review

State tax intercept notices include a 30 day fair hearing right. The Division of Hearings and Appeals conducts the fair hearing. Federal intercept notices have a 60 day administrative review process. The Public Assistance Collections Unit conducts the administrative desk review. The client must provide evidence showing the claim is not past due, or is not legally enforceable. If the client can not provide that evidence, the case will be sent for intercept.

The case is not subject to the tax intercept while under review or appeal.

7.3.2.12 Repayments

A client who makes a repayment agreement may not be subject to tax intercept as long as s/he is meeting the conditions of the agreement. If a client has received three dunning notices, s/he is subject to both tax intercept and monthly repayment.

The policies for monthly repayments are listed on the repayment agreements:

1. Overpayments less than $500 should be paid by at least $50 monthly installments
2. Overpayments $500 and above should be paid within a three-year period either by equal monthly installments, or by monthly installments of not less than $20.

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7.4.1 BENEFIT UNDERISSUANCE

7.4.1.1 Restoring Benefits Due to Underissuance
7.4.1.2 Calculating the Amount of the Underissuance
7.4.1.3 Notice of Underissuance
7.4.1.4 Method of Restoring

7.4.1.1 Restoring Benefits Due to Underissuance

Restore *FS* benefits when you discover a FS group received fewer benefits than it was entitled to receive. Only restore benefits if the group did not cause the underissuance. Do not restore benefits if the underissuance occurred more than 12 months before the month the underissuance is discovered.

Restore benefits even if the FS group is currently ineligible. The FS group does not need to request the restoration. Restore benefits as soon the underissuance is discovered.

The local agency servicing the FS case handles the correction if the case is receiving FS. If the case is closed, the county that last serviced the case corrects the error.

Restore benefits for an individual disqualified due to an *IPV* only if the disqualification is reversed. Compare the allotment the FS group received with what it would have received if the disqualified member had participated. Restore the difference.

A request for a hearing is sufficient notification of FS group's request for restored benefits.

7.4.1.2 Calculating the Amount of the Underissuance

Calculate the allotment the FS group should have received. Restore the difference between the actual and the correct allotment. Issue the restored benefits in addition to the group's regular allotment.

As part of application and review processing, determine if the FS group has any outstanding claims.

If there is a claim against the FS group, offset the claim against the amount to be restored. Complete this calculation or determine this amount before restoring any benefits to the FS group.

Example: Vera received $200 in monthly FS. She should have received $220. She owes the agency $10 from an overpayment ($20 underissuance less $10 overissuance = $10) Issue a supplement of $10.

If the FS group was eligible, but received an incorrect allotment, calculate the underissuance amount only for those months the FS group was participating in the program.

If the FS group was found ineligible erroneously, the date the loss first occurred is:

1. Incorrect denial or delayed application - use the application month.
2. Erroneously terminated - use the month the loss first occurred.
3. Incorrect denial of recertification - use the month following the expiration of the certification period.

Calculate the underissuance amount for each month the group was, or should have been, eligible. Request any verification necessary to determine correct eligibility and benefit amounts. If requested verification is not provided in 10 days, a restoration is not made for the months the requested verification would have impacted eligibility or benefit amounts.

7.4.1.3 Notice of Underissuance

Notify the FS group of the restoration in writing. Include:

1. The entitlement to lost benefits.
2. The amount to be restored.
3. Any offsetting claims and the method of restoration.
4. Right to appeal.

If the documents to support entitlement to lost benefits are not obtained, the group may provide an affidavit explaining its entitlement. The affidavit is signed under penalty of perjury. The local agency, a group member, or the group member's designee may draft the affidavit.

7.4.1.4 Method of Restoring

Issue an allotment to correct the underissuance, regardless of current eligibility. If the FS group's composition has changed, restore benefits to the FS group containing the most FS group members when the loss occurred. If you cannot find or determine the group with the largest number , restore benefits to the primary person at the time of the loss.

Document your calculations and the reason for restoration in the case record.

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8 APPENDIX

8.1 TABLES

8.1.1 net income limits

FS **Group Size**	**Net Monthly Income Limit (100 % FPL)**
1	$ 798
2	$1,070
3	$1,341
4	$1,613
5	$1,885
6	$2,156
7	$2,428
8	$2,700
9	$2,972
10	$3,244
Each Additional Member	+$272

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8.1.2 Income Change Reporting Threshold And Gross Income Limit For Non-Categorically Eligible Food Groups

FS **Group Size**	**Income Change Reporting Threshold And Gross Income Limit For Non-Categorically Eligible Food Groups (130 % FPL)**
1	$1,037
2	$1,390
3	$1,744
4	$2,097
5	$2,450
6	$2,803
7	$3,156
8	$3,509
9	$3,863
10	$4,217
Each Additional Member	$ +354

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8.1.3 Elderly & Disabled Seeking Separate Household Status

FS **Group Size**	**Gross Monthly Income Limit (165% FPL)**
1	$1,316
2	$1,765
3	$2,213
4	$2,661
5	$3,109
6	$3,558
7	$4,006
8	$4,454
9	$4,903
10	$5,352
Each Additional Member	$+449

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8.1.4 Categorical Eligibility Income Limits

FS Group Size	Gross Monthly Income Limit (200% FPL)
1	$1,596
2	$2,140
3	$2,682
4	$3,226
5	$3,770
6	$4,312
7	$4,856
8	$5,400
9	$5,944
10	$6,488
Each Additional Member	$+544

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8.1.5 Deductions

Deduction Type	Amount
Standard	
For AGs with 1-4 people	$134
For AGs with 5 people	$157
For AGs with 6 or more people	$179
Dependent Care	
Under 2	$200
2 and over	$175
Shelter and Utility Allowances	
Shelter Maximum	$400
HSUA (Heating Standard Utility Allowance)	$303
LUA (Limited Utility Allowance)	$195
EUA (Electric Utility Allowance)	$67
PUA (Phone Utility Allowance)	$25
WUA (Water or Sewer Utility Allowance)	$60
TUA (Trash Utility Allowance)	$15
FUA (Cooking Fuel Utility Allowance)	$28
Medical Allowance	Expenses over $35

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8.1.6 Disqualification For Divestment

Divested Assets Over the Group's Asset Limit	Number of Months Disqualified
$>0 - $249.99	One (1)
$250 - $999.99	Three (3)
$1,000 - $2,999.99	Six (6)
$3,000 - $4,999.99	Nine (9)
$5,000 or more	Twelve (12)

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8.1.7 Monthly Maximum Allotment

FS **Group Size**	**Maximum Allotment**
1	$152
2	$278
3	$399
4	$506
5	$601
6	$722
7	$798
8	$912
Each Additional Member	$ +114

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8.1.8 Allotment For Monthly Net Income And FS Group Size

Note: Some of the tables found here were required to be scanned in portrait mode but were originally written in landscape mode. Therefore, the text may be sideways when you first see the document. To rotate the text, click on the link first, then from Acrobat's toolbar, choose View>Rotate and choose either clockwise or counterclockwise as appropriate.

If you don't see that option on your toolbar, look for the rotate icon, which looks like a piece of paper with a curved arrow on the top.

Current Allotment Table

Allotment by Monthly Net Income and *FS* Group Size Effective 10/01/05 through 09/30/06

Prior Years' Allotment Tables
Allotment by Monthly Net Income and FS Group Size Effective 10/01/04 through 09/30/05

Allotment by Monthly Net Income and FS Group Size Effective 10/01/03 through 09/30/04

Allotment by Monthly Net Income and FS Group Size Effective 10/01/02 through 09/30/03

Allotment By Monthly Net Income and FS Group Size Effective 10/01/01 through 09/30/02

Allotment by Monthly Net Income and FS Group Size Effective 10/01/00 through 09/30/01

Allotment by Monthly Net Income and FS Group Size Effective 10/01/99 through 09/30/00

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8.1.9 Questionable Food Items

Questionable Food Items This document shows what food items may be purchased using FoodShare benefits.

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8.2 WORKSHEETS AND FORMS

8.2.1 Worksheets And Forms

All Division of Health Care Financing Eligibility Management forms including, FoodShare Wisconsin applications, forms and worksheets, are found at http://dhfs.wisconsin.gov/em/forms/imforms.htm

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8.3 PROCESSING GUIDELINES

8.3.1 Non-financial Eligibility

The *CARES* system uses the data entered on the following screens to determine the household composition, food unit, and *FS* group members. These three determinations are based on FS policy and non- financial criteria found in the FSHB references listed below.

HUG: Food Units

H - Households: ANID, ANLA

Households consist of all persons living in or temporarily absent from the same residence.
It is important to enter ALL household members into CARES to ensure that the correct eligibility determination is made.

U - Food Units: ANHR, ACPA

See 3.3.1

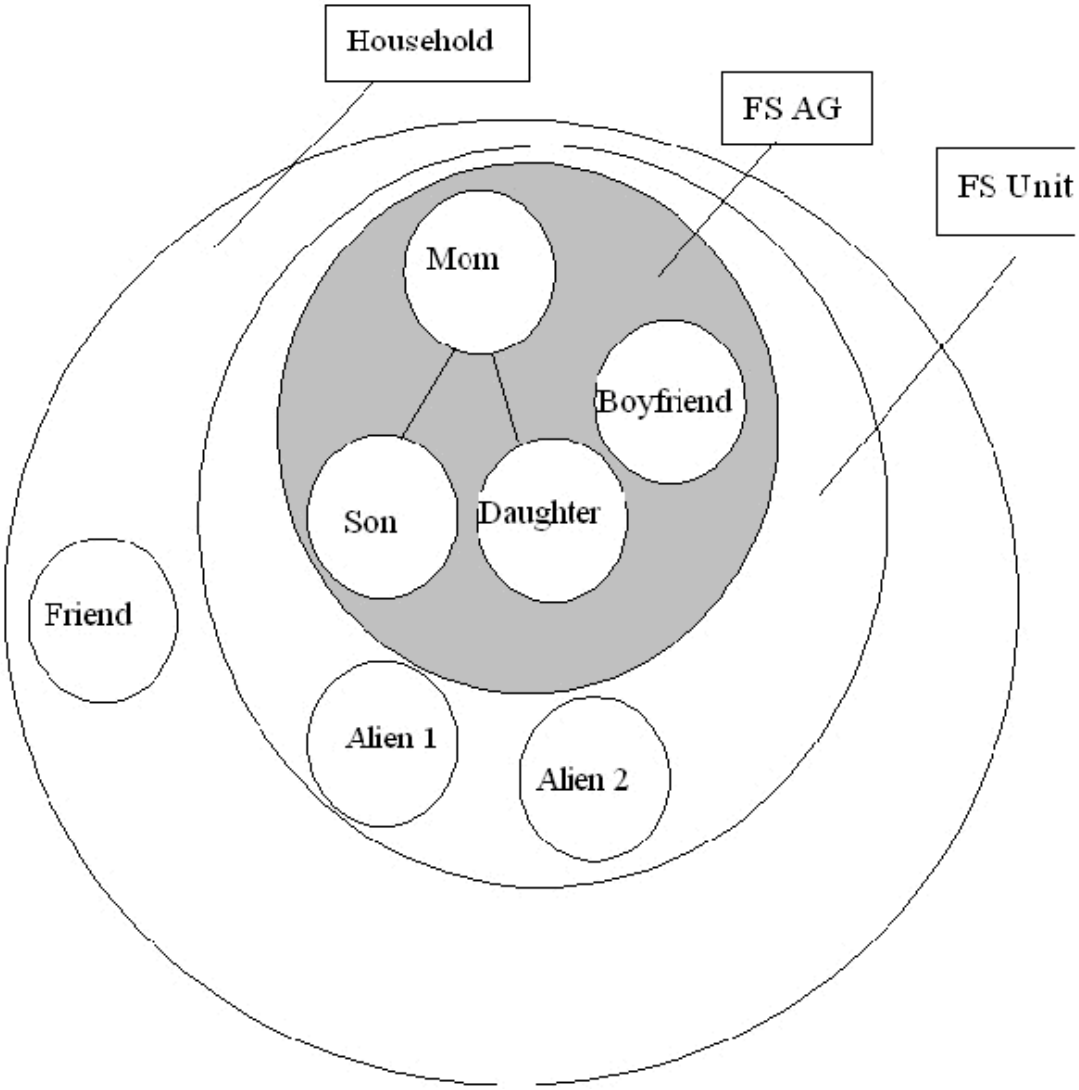
REMEMBER: CARES “knows” policy and may override a determination on ANHR.
Be sure to check budget screens!

G - Food Groups

The FoodShare group is formed by persons who are in the same food unit and pass all the individual non-financial criteria. This table identifies where to find non-financial CARES screens and policy references.

Topic	CARES Screen	Handbook Section
Citizen or qualified alien	ANDA, ANAR, ANDC	3.12.1
Is a qualified student	ANSE	3.15.1
Residence	ANLA	3.2.1
Not a Fleeing Felon or a Probation and Parole violator; Drug Felons	ANDF	3.18.1
Provides/obtains a *SSN*	ANBR	3.13.1
Not disqualified due to intentional program violation (*IPV*)	AIIP	3.14.1
Meets work program participation requirements	AIWS, AFLE	3.16.1
Cooperates with *Child* Support Enforcement	APNC	3.17.1

8.3.1.1 Sociogram of Household, Unit, Group



8.3.1.2 Types of FoodShare Groups

Categorically Eligible - No asset test, gross income test, or net income tests are applied. Authorization to receive a *TANF* funded service by any group member makes the entire FS AG categorically eligible. CARES automatically defaults ANBC to BB.

> **Exception:** Categorical eligibility must not be conferred upon FS AGs where a food unit member is disqualified from FS due to a drug felony sanction or an IPV sanction. The individual is still eligible to receive a TANF funded service, JobNET, which continues to waive the asset test. Resources are excluded and not deemed. Income continues to be deemed.

ANBC - The TANF RECV field on ANBC will default to <Y> for all FS cases based on the following criteria:

- Total gross income is at or below 200% of the FPLs;
- No food unit members are sanctioned due to an IPV; and
- No food unit members are sanctioned due to a felony drug conviction.

```
HOUSEHOLD RELATIONSHIPS:  ANHR
ANHR                HOUSEHOLD RELATIONSHIPS        01/08/98 13:29
CASE: 8101896384                WORKER: XWI006    XWI010 C
NEUENSCHWA
LAST UPDATED: 01 08 98          CASE STATUS: OPEN    CASE MODE:
ONGOING

REF NUM: 01 NAME: JIMMY BUFFETT      SSN: 392 81 9988

                    P&P              FILLING
  MEALS       LEGL   PARENTAL
SOURCE      EFF   REL TO  WITH CARING  CUSTD   ROLE
 NUM NAME  MMYY   REF VR  REF  FOR REF FOR REF FOR REF
02 JANE B  1097   DAU BC    Y
03 BOB B   1097   SON BC    Y    Y       Y       Y
04 JOE S   1297   NOT CC    N    N       N       N

NEXT TRAN:_________PARMS:
8101896384_________________________________MORE…
```

This screen requests information about the relationships of individuals in the household. Note - There are 3 possibilities regarding the father relationships: claimed father (*CFR*), acknowledged father (AFR), and legal father (FTR). See CARES guide Ch. IV, Part B, 3.0.0 (updated by DXBM dated 10/5/96 with change of PFR to AFR).

P & P Meals with Ref

Does this person purchase and/or prepare meals with the reference person at the top of the screen (Jimmy Buffett in this case)?

- Used to form the Food Unit.
- An entry of “Y” on this screen will override “N” on ACPA for that person.
- Entering a relationship code that would make that person a mandatory member of the FS group overrides an entry of “N” in this field.

Caring for Reference

- Necessary to create eligibility for Child Care and *W-2*.

- Exempts a person from the FSET work program for caring for a child under 6 years old.

NOTE: People who are not related cannot be coded as "caring for." See "Filling Parental Role" and "Legal Custodian for Ref."

Legal Custodian for Reference

- This indicates whether the source person has legal custody of the target *minor*. Only one legal custodian can be entered for a minor. This determines eligibility for W-2.

Filling Parental Role

- Necessary when the caretaker is a non-related *adult* considered to be filling a parental role.
- You MUST enter "Y" on the adult's line with the non-related child as the reference person in order to find eligibility for FoodShare and Child Care and properly form the Assistance Group.

ALSO: This trigger is currently needed as a workaround when there is a non-marital co-parent (*NMCP*) and Child Care is requested. You must answer "Y" for EVERY child (both in common and those that are not in common) in order to properly pull the NMCP into the Child Care group.

Essential Person

- Needed only in certain circumstances for Medical Assistance. See *MA* Handbook 3.4.0.

Tax Dependent of Ref

- Needed only in special MA institutionalized cases. See MA Handbook.

MEDICAL DISABILITY: ANDI

```
ANDI                                DISABILITY
                          06/21/01 12:48
CASE: 8100356253                WORKER: DWD333
                       J JOHNSON
LAST UPDATED: 04 02 01          CASE STATUS: OPEN    CASE MODE:
ONGOING

NUM: 01 NAME: JUDY JOHNSON                      SSN: 123 45 6789

DC: __ BEGIN MMYY: 0796 END MMYY: ____

HAS INDIVIDUAL BEEN ESTABLISHED BLIND BY DDB?           (Y/N): N
  VR: __
HAS INDIVIDUAL BEEN ESTABLISHED DISABLED BY DDB?        (Y/N): Y
```

```
  VR: AW
PRESUMPTIVE DISABILITY?    (Y/N): N   PRESUMPTIVE DISABILITY
TYPE: __  VR: __
DATE SENT TO DDB: __ __ __                DATE RECD FROM DDB : __ __
__

      ONSET DATE: 03 01 94                     REVIEW DATE: __ __ __

FS DISABILITY?   (Y/N): Y  VR: SC
IF ELDERLY/DISABLED, UNABLE TO P/P MEALS DUE TO DISABILITY?
(Y/N): N
IS INDIVIDUAL INCAPABLE OF OBTAINING GAINFUL EMPLOYMENT?
(Y/N): Y       VR: SC
IS A HH MEMBER NEEDED TO CARE FOR THIS PERSON? (Y/N): N
HIS/HER SL N UMBER: __
---------------------------------INDIVIDUALS-----------------------------------
  01 JUDY  (PP )
```

The FS Disability field and/or the ***"has individual been established disabled by DDB?"*** field determines whether or not medical expenses count in the FS budget. To count, the expenses must be an obligation of the individual. These expenses can be entered on AFMD, AFMC (AFMI), or AFME. This also determines whether or not the deduction for shelter is capped at the $388.00 maximum and also if the gross income test must be met. Both fields give these exemptions.

When is a "Y" entry in the FS DISABILITY field appropriate?
A "Y" entry is only appropriate when there is a household member who receives disability or blindness benefits from any of these programs: *SSA*, MA Disability, MAPP, *SSI* or SSI-RELATED MA, RAILROAD RETIREMENT BOARD (RRB), or VA.

A "Y" entry in ***"Is individual incapable of obtaining gainful employment"*** field will trigger CARES to generate an FSET exemption code of (IG) on AIWP.
NOTE: CARES will not exempt an SSI RECIPIENT for FSET unless a "Y" has been entered in this field.

A "Y" entry in ***"is a HH member needed to care for this person?"*** indicates if another household member is needed to care for this person. This information is used to determine FSET exemptions due to caring for an incapacitated or disabled person. Enter the short list number of the person who is caring for the incapacitated or disabled person.

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8.3.2 Priority Service and Expedited Issuance

Priority Service
"Priority services" refers to whether or not a person should be seen the same day or next working day from date of application.

Expedited Issuance
"Expedited issuance" refers to how quickly *CARES* will issue FoodShare benefits once the case is confirmed eligible for expedited benefits (by the next day for EBT). Local agencies may issue a vault card (temporary QUEST card) for expedited cases. It is up to the agency to decide if they want to do this. The client must receive the card within the 7-day expedited time frame.

If the agency chooses to issue a vault card and code CARES by 12pm or 3pm, then an emergency file is sent to J.P. Morgan EFS and benefits are available within 3 hours. If the agency meets the last cutoff for the day (before CARES shuts down), the benefit is available by 2 A.M. the next day.

If the client already has a card and is eligible for expedited issuance, the agency can still code CARES accordingly and benefits are available as listed above. If the agency does not code CARES as expedited emergency, the benefits will be available the next day by 12:30 A.M. CARES orders the QUEST card if there is a cardholder change and sends the benefits to J.P. Morgan EFS that night. J.P. Morgan EFS produces the card the next business day and mails the card to the client. If there are consistent mail delays, the agency should issue a vault card for expedited cases.

Homelessness is no longer a criteria for priority service/expedited issuance eligibility.

If a person is eligible for priority service, s/he must be scheduled for a face to face (FTF) interview the same or next working day. The CARES screens CRES and CPS are used to determine if a person is eligible for priority services. It is very important the CRES and/or ACPS screens be completed using the best information available in order for this determination to be made correctly. These screens should be completed each and every time a new application is required (i.e., if a case closes for 1 day or more, priority service and expedited issuance must be reviewed).

Eligibility workers must attempt to verify all information. However, the only item of verification required for CARES to issue expedited benefits is identity. If there is a "?" in any other verification field, CARES will ignore it and issue expedited benefits.

Since clients may be eligible for priority service after a break in service, it is important to note that screen ACPS will not come up in the review driver flow unless the ACPA indicator is changed from a “N” to a “Y”. The worker must tran to ACPS in order to complete it and determine eligibility for priority service.

NOTE: A break in service is defined as a case that closed (the last day of a month) and at least 1 day has passed.

In situations where there has been a break in service and a new application is required, the filing date is set when the client does 1 of the following:

1. Completes client registration and submits a signed *RFA* (if closed more than 30 days); or
2. Submits the signed 1-page application form (DES-11605); or
3. Submits a completed, SIGNED *CAF*.

VERBAL REQUESTS FOR FOODSHARE BENEFITS ARE NOT VALID

Although verbal requests for FoodShare benefits are not valid, local agencies must encourage individuals to file an application for *FS* on the same day they express an interest in FoodShare or concerns about food insecurity.

Local agencies must provide priority service and expedited benefits to those households that qualify for them.

Local agencies that discourage or attempt to divert households from applying for W2 cash assistance must clarify that the disadvantages and requirements for applying for W2 cash assistance do not apply to FoodShare benefits. In this situation, the local agency shall also encourage the household to continue with the FS application.

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8.3.3 Assets

Assets are not included as part of the *FS* FoodShare eligibility determination and are not required to be verified since all FS applicants and recipients are authorized to receive a TANF-funded JobNet service.

Workers should not request a FS food unit's asset information.

The following text will appear on approval and change notices generated by *CARES* for new FS applications and current recipients:

"Wisconsin JobNet is available to you. JobNet is the single largest source of job openings in Wisconsin. You can access JobNet via the internet at

http://www.dwd.state.wi.us/jobnet/mapWI.htm on touch screen monitors at your local Job Center. To locate the Job Center nearest you call 1-888-258-9966."

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8.3.4 Earned Income

To process income prospectively you must:

1. Identify the available countable income.
2. Verify the income.
3. Determine and document the best estimate of prospective income.
4. Enter Income in CARES.
5. Account for Fluctuating Income
6. Account for Changes in Earned Income
7. Document in case comments in CARES.

8.3.4.1 Identify the Available Countable Income

The income to be budgeted is identified through the interview, the driver flow, and the verification process. Only include income actually available to the group, and not until the first month in which it is received. For example, if a person begins a job on 6/25, and the first check will be received in July, do not count any income for June.

When interviewing, be sure to ask the applicant/recipient if they are receiving wages or are expecting to receive wages from an employer. A lot of information can be gathered directly through the interview.

In the driver flow, DXQW shows an employment income source for any *FS* group member, 16 and over. This can be useful in gathering the FEIN number as well as employer name, address, and phone. Another helpful tool is DXNH, which will provide new employment and start dates for any household member 16 and over. REMEMBER that earned income of *minor* students is potentially countable income depending on school status. If a minor is not enrolled in school and has earned income, it is counted. See 4.3.2.2. Also earned income of 18-year-old children is countable beginning with the month following the 18th birthday regardless of school status.

8.3.4.2 Verification of Income

The household has primary responsibility for providing documentary evidence to support statements on the application and to resolve any questionable information. However, a worker must assist the household in obtaining this verification if the household is otherwise cooperating and is unable to obtain the verification and requests the agency's assistance in obtaining the verification. See 1.2.1.1**.**

If all attempts to verify the income have been unsuccessful because the person or organization providing the income has failed to cooperate with the household and agency (for example, by charging a fee or refusing to complete a verification form), and all other sources of verification are unavailable, determine an amount to be used for certification purposes based on the best available information. Clearly document the attempts to obtain verification and the reasoning for the estimate that is used.

Best available information may include but is not limited to:

1. One or more check stubs from past pay periods (i.e., more than 30 days ago)
2. Customer statement (oral or written)

As in all cases, instruct the client to keep all statements and check stubs for future verification purposes.

Be sure to document any attempts made to obtain verification and the logic behind what is being used in case comments. Entering pay schedules and pay stubs used to determine the calculation are highly recommended.

8.3.4.3 Determine the "Best Estimate" of Prospective Income

The worker must use the best-verified information available when determining the best estimate of income. When the employment or income has been continuous, you may use the most recent (i.e., at least the last 30 days) pay checks to identify patterns and fluctuations in the income. If the client does not have the checkstubs, feels that the previous pay stubs do not accurately represent the future, or does not agree with the estimate, then additional steps (i.e., employment verification form) must be taken to obtain a more accurate estimate.

Pay stubs can trigger new questions. Are there shift differentials, tips, *EITC*, overtime, *child* support deductions, and what are the pay periods? Remember to watch for pay increases. Year to date totals can be used to calculate pay stubs that are not provided or are missing between pay periods.

SMRF Income Verification and Processing

While the SMRF instructs the customer to provide proof of the income for the change month, pay stubs or an employer statementthe *ESS* may use other methods to calculate the prospective income, as always.

Example 1: The customer submits a dated letter from their employer which adequately estimates hours and rate(s)for the future, instead of the last 30 days pay record.

Example 2: The customer is to report income for the month of September, but submits the paystubs for last two weeks in September, plus the first two weeks in October. The ES is able to project income using 30 days of pay.

8.3.4.4 Enter Income in CARES

The *CARES* wage detail screen, (AFWG), allows workers to more accurately record earned income information and verification and allows automated calculation of monthly earned income for all programs. You may use income received during the last 30 days as an indicator of the income that is and will be available to the household during the certification period unless that income does not accurately indicate changes in income that have occurred or are anticipated to occur.

The AFWG screen has been designed to perform an automated calculation for the converted amount which multiplies rate of pay times average hours per pay period by 2 for semi-monthly income, by 2.15 for biweekly income, or by 4.3 for weekly income for FS, W2, and CC. In addition, it will perform a similar calculation for *MA* by taking the rate of pay times average hours per pay period multiplied by 2 for semi-monthly or biweekly income or by 4 for weekly income. In most circumstances, the worker need only enter an hourly rate of pay, a pay type, and an average number of work hours per pay period for the system to automatically calculate the final monthly income amount.

NOTE: Eligibility workers must enter the correct pay frequency on screen AFEI in order to ensure the correct calculations are made on screen AFWG.

AFWG Screen
AFWG replaces AFDE for any new employment sequences entered on AFEI on or after June 23, 2003. When a new AFEI sequence is created, the worker is required to enter the payment details on AFWG. AFWG will be displayed when PF20 is entered. Current valid employment sequences recorded on AFEI will continue to have an AFDE screen attached to record and display wage details. At time of recertification or SMRF processing, any remaining AFDE screens should be converted to AFWG.

Reminder: the pay frequency entered on AFEI affects the conversion on the detail screen AFWG.

AFWG multiplies rate of pay x average hours per pay period by:
2 for semi-monthly income (paid 2 times per month)
2.15 for bi-weekly income (paid every 2 weeks)
4.3 for weekly income (paid each week)

NOTE: AFDE screens will not be converted. Income details on current employment sequences already entered will remain displayed on AFDE. New employment sequences added will generate the new AFWG screen.

Some fields on the AFWG screen will be populated with data entered on AFEI. The pay frequency entered on screen AFEI will determine which conversion calculations will be applied to earned income details entered on AFWG. The worker will complete the screen entering appropriate data where needed.

There is a comment section at the bottom of the screen to document pertinent information regarding the entries made on this screen. In situations in which it is not appropriate to use the last 30 days of wages as verification of income, the worker must document that reason in this space for FoodShare applicants/recipients. (See section on Verification Code).

Example 3: The worker will enter the current rate per hour if the customer is paid on an hourly basis. The worker then chooses a pay type from the reference table. The average hours will be the average of hours worked per pay period as documented on the customers paycheck stubs or other documentation. An appropriate verification code is required. CARES will automatically populate the total amount/ppd field and calculate the Monthly MA amount and Monthly Converted amounts.

```
AFWG                    DETAILED WAGE INCOME          06/05/03 08:46
CASE: 3700304030                WORKER: XCTA20    J ELLENBECKE
LAST UPDATED: 06 05 03          CASE STATUS: OPEN    CASE MODE: ONGOING

NUM: 01 NAME: ALBERT          AFWG            SSN: 579 13 5829

BEGIN MMYY: 0503     END MMYY:          EMPLOYER NAME: HOLLY'S HOSTA
HOUSE
SEQ NUM:   1  EMPLOYMENT TYPE: REGULAR     PAY FREQUENCY: B BI-WEEKLY


   RATE/ HR   TYPE   AVG HRS/ PPD  VR     TOTAL/ PPD
      10.00     REG       40        LT       400.00
      15.00     OTP       10        LT       150.00
      ______    ___       ___       __       ________                    ______    ___
```

___ __ _____

MONTHLY IN-KIND AMT: _____ VR: __ BI-WEEKLY TOTAL AMT: 550.00
MONTHLY MA AMT: 1100.00 MONTHLY CONVERTED AMT: 1182.50
OVERRIDE MA AMT: _____ VR: __ ↵OVERRIDE CONVERTED AMT: _____ VR: __
TOTAL HOURS: 108 OVERRIDE HOURS: ___
COMMENT: USED LAST 30 DAYS OF PAY STUBS_____
_____

_____

PRESS ENTER TO VIEW THE MONTHLY AMOUNT THEN PRESS ENTER TO RETURN TO AFEI

Field descriptions:

1. Rate/HR Enter hourly rate of pay.
2. Pay Type Enter pay type from table TPYT.
3. AVG HRS/PPD - This will be the average number of hours the customer works per pay period. Workers will need to calculate that number based on the total hours worked during the last 30 days or, for anticipated changes, the average number of hours expected to be worked by the client.
4. VR Verification code This represents what type of documentation used to verify this information.
5. TOTAL/PPD this system-generated number is the result of the hourly rate times the average hours per pay period.
6. Monthly in-Kind amount entered by the worker
7. Monthly MA AMT This is the budget amount that is calculated by the system which uses the weekly/bi-weekly/semi-monthly amount times 4 or 2.
8. Monthly Converted AMT this is the budget amount that is calculated by the system which uses the weekly/bi-weekly/semi-monthly amount times 4.3, 2.15 or 2.
9. Override MA AMT - The worker can use the override field when a different monthly income amount is needed for MA.
10. Override Converted AMT - The worker can use the override field when a different monthly income amount is needed for FS, CC, *W-2* or CTS
11. Override Hours Use this field when you need to override the number of monthly hours calculated by the system.
12. Comments Enter comments on how you arrived at the information entered here.

Reference Table Change

Reference table TPYT shows the payment type codes for different types of employment payment methods. The worker enters the type that best matches the payment method used by the customers employer. The table also notes if hours and rate of pay need to be entered for the specific payment type code.

```
RTDT          REFERENCE TABLE DISPLAY SCREEN          06/05/03
08:43
                                    XCTA20 J ELLENBECKE

 TABLE ID: TPYT          TABLE DESC: INCOME PAYMENT TYPE CODES

 AGENCY  : 99            EFFECTIVE DATE: 05 13 03
 KEY     :               NEXT KEY: ____________________

 PAYMENT                                HOURS     RATE
  TYPE                               REQUIRED
  CODE    DESCRIPTION                     Y/N/C     Y/N

  COM     COMMISSIONS AND BONUS PAY    C*       N
  HOL     HOLIDAY PAY                   Y
  OSP     OTHER SHIFT PAY               Y
  OTH     OTHER PAY TYPE                Y
  OTP     OVER TIME PAY                 Y
  REG     REGULAR PAY                   Y
  SAL     SALARY                        Y        N
  TIP     CASH TIPS                     C*       N
  WKD     WEEK END PAY                  Y


 NEXT TRAN: ____     PARMS:
 ____________________________________________
```

*The COM and TIP pay type codes are C or conditional for hours required. If these pay type codes are the only ones entered on the screen, the worker will be required to also enter the number of hours worked. If other pay types are entered along with COM or TIP, no hours should be entered for the COM or TIP earnings.

Verification Code "LT"

Use income received during the last 30 days as an indicator of the monthly income that is and will be available to the household during the certification period unless that income does not accurately indicate changes in income that have occurred or are anticipated to occur.

Verification code LT (Last 30 Days) should be used to show that the worker used the income and hours from the last 30 days pay stubs to verify the wage information entered on screen AFWG. If this verification code is not used for a row entered on AFWG, the worker will receive the following message, FS Earnings not verified using last 30 days pay stubs, enter comments. In FS cases, comments must be entered on AFWG to indicate why the previous 30 days pay stubs were not used to verify wages. For example, if employment information is entered for a new job, an employer verification document may be used to verify the prospective income estimate. In this case, another verification code will be used and the worker can document new job, last 30 days stubs unavailable, employer verification in file. If the case is MA only and the income is self-declared, SP can be used as a verification code and the worker can enter past the screen edit since there are no FS earnings.

Changes to AFEI

1. Employment Ended This field replaces the Income Discontinued field. Enter Y/N. This field indicates if the client is no longer working at the associated place of employment.
2. Pay Frequency In order for CARES to calculate the income properly, the correct Pay Frequency must be entered here. This field tells the system to multiply the income amount by 4.3, 4, 2.15, 2 or 1.
3. Monthly MA Amount The income for MA will display in the Monthly MA Amount field. CARES will not use the conversion formula for MA income. .
4. Monthly Converted Amount The income for FS, W-2, CTS and CC will display in the Monthly Converted Amount field. CARES automatically uses 2.15 or 4.3 in the income calculation.

```
AFEI                    EMPLOYMENT                06/05/03 08:45
 CASE: 3700304030                    WORKER: XCTA20    J ELLENBECKE
 LAST UPDATED: 06 05 03              CASE STATUS: OPEN    CASE MODE:
ONGOING

 NUM: 01 NAME: ALBERT          AFWG              SSN: 579 13 5829
 DC: __  BEGIN MMYY: 0503   END MMYY: ____
 SEQ NUM: 001  WI EMP NUM: __________             FEIN: __________

          EMPLOYER NAME: HOLLY'S HOSTA HOUSE___________ PHONE:
___ ___ ____
              ADDRESS: ___________________________
                CITY: _________________ STATE: __ ZIP: __________
            JOB TITLE: GARDENER_______   EMPLOYMENT TYPE: R
       VR: OW
 EMPLOYMENT BEGIN DATE: 01 03 VR: OW  EMPLOYMENT END DATE:
__ __ __  VR: __
     1EMPLOYMENT ENDED: N            DATE OF LAST PAYCHECK: __ __
```

__ VR: __
ON STRIKE ? (Y/N): N STRIKE BEGIN DATE: __ __ __ VR: __
2 PAY FREQUENCY: B BI-WEEKLY STRIKE END DATE: __ __ __ VR: __
MONTHLY HOURS: 108 TJB SUBSIDY: _____ INKIND INCOME: .00
3 MONTHLY MA AMOUNT: 1000.00 4 MONTHLY CONVERTED AMOUNT: 1075.00

----------INDIVIDUALS----------
01 ALBER A (PP) 02 ALLY A (DAU)

PF18-ACCC PF20-AFWG/AFDE PF23-AFAC PF24-REVERIFY ACCESS INFO
NEXT TRAN: ____ PARMS: 3700304030_____

8.3.4.5 Fluctuating Income

1. Fluctuating income due to varying hours less than 40 per week:

   Use income received during the last 30 days as an indicator of the income that is and will be available to the household during the certification period unless that income does not accurately indicate changes in income that have occurred or are anticipated to occur.

   Average the hours (Result) X (4.3) or (2.15) X rate of pay for monthly income average.

2. Fluctuating income due to frequent overtime of varying hours:

   Average the previous gross income to appropriate conversion amounts.

Example 4: Mary works a regular 40-hour week at the chemical factory. She works mandatory overtime at time and a half almost every week. The overtime hours vary week to week depending on the orders. She is paid weekly. The 40 hours per week at $7.50 per hour is converted to $1290. (40 X $7.50 X 4.3 = $1290) In the 4 weeks prior to re-certification she received 10, 0, 5, and 2 hours of overtime. The overtime hours are averaged. (10+0+5+2=17/4=4.25 per week) The overtime rate of $11.25 X 4.25 hours X 4.3 weeks = $205.58. Prospective fluctuating income is $1290 + 205.58 = $1495.58.

3. Fluctuating income due to regular hourly rate changes during a pay period:

   Average the most recent gross income into weekly amounts:
   (Result) X (4.3) = monthly income.

Example 5: Shirley works at the corner diner. She is hired as a waitress, but she frequently fills in hours as a cook. The rate of pay varies for the two jobs, and the hours she works in either position are completely unpredictable. In the 6 weeks prior to certification, her wages and tips were $212.30, $139.35, $116.18, $78.49, $234.96, and $99.78. The caseworker determines that these 6 checks best represent Shirleys current income. These wages are added together equaling $881.06. Divided by the 6 weeks, the weekly average is $146.84 times 4.3 weeks. The prospective average income is $631.41.

4. Widely Fluctuating Income:
   If income fluctuates to the extent that a 30-day period alone cannot provide an accurate indication of anticipated income, the agency and the household may use a longer period of past time if it will provide a more accurate indication of anticipated fluctuations in future income. To average widely fluctuating income, use the households anticipated income including fluctuations anticipated over the certification period. In any case, clearly document the reasoning for the prospective income estimate.

   Averaging will take some judgement. Here are some things to consider:
   a. The time period used in the average and if any changes have occurred since the verified wages were earned and
   b. The most recent wages received must be included in the prospective determination.

Employment shown in the two most recent quarters on DXQW may be an indicator of unreported income. It may save you an overpayment determination later if you ask the participant about it now! However, income on DXQW is not recent enough to make a reasonable prospective income determination. Take advantage of New Hire information (DXNH).

5. Fluctuating income due to employment with a temporary agency:

Example 6: Ted works for a temporary agency and only has earnings when the employer has an assignment for him. Ted reported at a review with his FS worker that a local company needs temporary help for 3 weeks to complete a special order. Ted will start on Monday the 5th and work 40 hours per week for 3 weeks at $7.50 per hour. Once this job is completed, he has no other pending assignments. His eligibility worker requested verification of the

assignment by entering a ? on AFEI for earnings. Within 10 days, Ted mailed a copy of the job assignment sheet to his worker. The ? was changed to a verified code and $0 earned income was entered. This income is not expected to continue beyond the report month, therefore, it cannot be projected as future anticipated income. The worker documented this.

Two weeks after Ted began this temporary assignment, the local company notified the temporary agency and Ted that he was doing such a good job, they wanted to extend his assignment long term with no anticipated end date. If after 3 months they had a permanent opening, and Ted passed their employment requirements, he may be hired as a regular employee. Ted reported this to his worker, who requested verification. Once the verification is received, the projected income is entered to affect the next possible benefit month. Without documentation of the two different reasons for the income projections, the wage record would seem to verify employment beginning full time on the 5th.

In all cases, document the reasoning for the income verification requested and used to determine the best estimate of prospective income.

NOTE: If the ESS believes the last 30 days income is not an accurate reflection of what can be anticipated in the future (based on discussion with either the customer or the employer), document the reason s/he is requesting additional verification and/or using either a longer period of time or a shorter period of time in case comments.

8.3.4.6 Changes in Earned Income:

FS Households with 12 month certification periods will only be required to report if their total monthly gross household income exceeds 130% of the federal poverty level. (6.1.1.1)

Most food units are certified for 12 months under reduced reporting.

Change reporting requirements remain unchanged for recipients of other benefits such as Medicaid, BadgerCare, W-2 and Child Care. FoodShare recipients must still report changes required by these other programs.

Worker Action At Intake, Review, And Reported Change

At the time of FS application and review, FS eligibility workers must advise recipients of their change reporting requirements. It is anticipated that fewer changes will be reported during the certification period by recipients. Therefore it is critical that FS eligibility and benefit level be determined correctly at the time of initial intake and at each review.

Many FS recipients also receive other programs of assistance, such as Medicaid (MA), Child Care (CC) and W-2. Due to the other programs' reporting requirements it is also anticipated that many FS recipients will continue to report changes during the certification period. Eligibility workers may also become aware of changes through Data Exchange or other third party sources. To insure payment accuracy, eligibility workers must continue to act promptly on all changes reported by the household and those reported through Data Exchange or any other third party source.

Example 8: Donna receives a data exchange match for a FS recipient indicating that the individual has started employment (DXNH). Donna is required to enter the employer information from the match into CARES and request documentation from the FS recipient to verify prospective gross income from the new job. If the verification is not provided timely, Donna must close the FS case. If verification is provided timely, FS benefits must be redetermined to confirm the adjusted benefit amount.

If a change is reported that causes a decrease in the FS benefit, act on the change as instructed in *FSH* 6.1.1. Since there is no longer a requirement to report such changes (unless total gross monthly income exceeds 130% FPL), no FS overpayment will occur.

Example 9: Dave reports on August 10th that he started a new job on July 5th. His FS eligibility worker gathers information about the new job and requests verification to determine a new prospective income estimate. In addition, Dave is no longer receiving Unemployment Insurance and his total gross monthly household income does not exceed 130% FPL. Although Dave must provide adequate verification of his new employment and income in order to continue receiving FS benefits, Dave was not required to report the change for FS, so no overpayment of benefits occurred.

If a change is reported that causes an increase in the FS benefit, act on the change as instructed in FSH 6.1.1. If the change is reported and timely verification is received, after adverse action supplement the FS benefit effective the 1st of the following month.

Example 10: Jane is a FS recipient and reports to her FS worker that her rent has increased from $500 per month to $550 per month. The worker enters the new rent amount on CARES screen AFSC with a ? and runs SFEX on Janes case to request verification of the increased amount from Jane. Jane submits the notice she received from her landlord verifying the new rent amount by the verification due date. Janes worker enters a verification code of LL on screen AFSC indicating that the new rent amount has been verified using the statement from the landlord. The worker then runs SFEX to determine Janes increased FS allotment. If this action is taken after adverse action in the

month, a FS supplement would be issued to Jane since she would be eligible for the increased allotment effective the 1st of the following month.

Impact on other programs
Medicaid, Child Care and W-2 programs have not changed their established reporting requirements. Customers must continue to report changes as outlined by these programs. FS recipients who also receive benefits from these programs must continue to report changes. It is the responsibility of the eligibility worker to explain the differences between the programs and ensure the customer understands the requirements. Workers must continue to act promptly on all changes reported by the household and those reported through Data Exchange or any other third party source.

DOCUMENT, DOCUMENT, AND DOCUMENT!

8.3.4.7 DOCUMENT IN CASE COMMENTS

Somewhere in the record, a copy of your earned income calculation and the logic behind it must be recorded. Meaning, verification of what pay stubs were used and copies of those stubs as well as a brief explanation on how the gross countable income was determined. This information may also be vital to any number of people who will have contact with FS cases (e.g., Fraud, Fair Hearings, *QA*, Audits, *FNS*). The details (AFWG) and/or case comments (CMCC) screens are the two places available to document your calculations.

A GOOD MEASURE OF ADEQUATE CASE COMMENTS WOULD REFLECT IF A CASE CAN STAND ALONE; MEANING, ARE THE CASE COMMENTS UNDERSTANDABLE TO OTHERS WHO MAY READ THE FILE!

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8.3.5 Self-Employment

Self-employment income is income earned directly from one's own business rather than as an employee with a specified salary or wages from an employer.

Depreciation
Remember when completing the self employment income worksheets to adjust for the income figure on the IRS tax forms when net income and depreciation are identified. Since depreciation is not an allowable expense for *FS* purposes, the depreciation expense is added back in (see 4.3.3.6.4 Worksheets).

Fluctuating Self Employment Income
If the self employment income is such that a 6-month period alone cannot provide an accurate indication of anticipated income, the agency and the household may choose a longer period of past income if the longer time period

will provide a more accurate indication of anticipated fluctuations in future income. To average fluctuating self employment income, you may continue to average the SEIRFs over a longer period of time to more accurately reflect fluctuating income. Document in *CARES* the reasoning for the income estimate.

Example 1: Jean Builder started a construction business in August. She reported this to her *ESS* and was asked to begin submitting SEIRFs on a monthly basis. She submitted SEIRFs for August ($0), September ($0), October ($0), November ($0), December ($1,500) and January ($0). The December income was a partial payment for the project, the final payment is due in March when the project is completed. The ESS in this case would continue to average the monthly income until at least the end of March in order to capture all the income.

Example 2: Junior Construct started his own construction business in November. He reported this to his ESS and was asked to complete six months of SEIRFs. He submitted SEIRFs for November ($0 income after deductions), December ($0 income after deductions), January ($100 income after deductions), February ($150 income after deductions and March ($500 income after deductions). Due to the nature of this type of self employment income (busier in warmer weather), continuing to average SEIRFs for up to a year would be the appropriate thing to do.

The CARES screen AFSE for example 2 would look like this:

```
AFSE                    SELF-EMPLOYMENT                 07/24/02 13:38
 CASE: 0112902308                    WORKER: XYZ431    DWD237 D
HIPPLER
 LAST UPDATED: 06 20 02              CASE STATUS: OPEN    CASE MODE:
ONGOING
 NUM: 02 NAME: ANTHONY          SMITH                    SSN: 389 34 6236


 DC: __  BEGIN MMYY: 0602   END MMYY: ____
 SEQ NUM: 001  TYPE: RE REAL ESTATE AGE         SELF MANAGED?
(Y/N): Y
     MONTHLY HOURS: 100  VR: OW       NUMBER OF MONTHS FOR
AVERAGE: 05
       INCOME DISCONTINUED: N        DATE LOSS OF INCOME
REPORTED: __ __ __

      GROSS INCOME VR    GROSS EXPENSES VR     DISALLOWED
EXPENSES
           125.00  OW                 25.00  OW      __________
           175.00 OW                  25.00    OW    __________
           600.00 OW                 100.00    OW    __________
```

```
      ______0___OW          __________  __      __________
      _____0____ OW         __________  __      __________
      __________  __        __________  __      __________

--------------------------------INDIVIDUALS-----------------------------------
  01 DONNA S (PP )    02 ANTHO S (HUS)


 NEXT TRAN: ____     PARMS:
0112902308_____________________________________
```

Uncertain Self Employment Income
Self employment income, by its very nature is somewhat uncertain. Use of SEIRFs and/or IRS forms to determine monthly average income takes this into consideration.

Royalty and rental income

1. Royalty income is always unearned.
2. Rental income is earned only if the owner actively manages the property 20 hours or more per week. CARES will budget self-employment income from rental property as earned income if the property is self-managed 80 or more hours per month. If the monthly hours entered are less than 80, the income will be treated as unearned income even if the self-managed switch is "Y ".

To anticipate earnings
If the household has experienced a substantial increase or decrease in business, the agency should not calculate the anticipated self employment income based on prior income. In this instance, the applicant or recipient must begin the averaging process again. (4.3.3.7)

NOTE: It is a best practice to use ACEC as a reminder to pend a case every month until 6 SEIRFs are received. Be sure to allow 10 days for verification, and SEIRFs should be returned and acted on by adverse action.

Example 3: Joyce Provider began a daycare center in September. Her business got off to a slow start because initially she was certified to care for only 2 children. After her business was open for 5 months, she found a larger space and was able to care for many more children. In this instance, when the circumstances change and her income was increased and that increase is anticipated to continue, a new average needs to be started.

Cares Processing

CARES calculates monthly self-employment income by using the following formula:

$$\frac{\text{Total gross income-total gross expenses + total disallowed expenses}}{\text{Number of months in operation}}$$

Reminders

1. When processing each additional *SEIRF*, increase the number of months in the "NUMBER OF MONTHS FOR AVERAGE" field (values are 1-6 or 12).

```
AFSE                    SELF-EMPLOYMENT                    02/17/00
14:05
CASE: 3700164335              WORKER: XCT609          XCTC93 D
HIPPLER
LAST UPDATED: 02 17 00      CASE STATUS: PENDING CASE MODE:
REVIEW
NUM: 01 NAME: JENNY         CASE1              SSN: 332 21 4551

DC: __  BEGIN MMYY:      END MMYY: ____
SEQ NUM: 001  TYPE: RP RENTAL PROPERTY      SELF MANAGED?
(Y/N):
 MONTHLY HOURS:     VR:        NUMBER OF MONTHS FOR AVERAGE:

 INCOME DISCONTINUED:    DATE LOSS OF INCOME REPORTED: __ __
__

 GROSS INCOME VR    GROSS EXPENSES VR     DISALLOWED
EXPENSES

  __________      __          __________  __          __________

  __________      __          __________  __          __________

  __________      __          __________  __          __________

  __________      __          __________  __          __________

-----------------------------------------INDIVIDUALS-----------------------------------------
-------
 01 JENNY C (PP )    03 FOSTE C (NOT)    02 SON1  C (NOT)
```

2. When using IRS tax forms and the business has operated for a period of 7-11 months, the gross income should be divided by the number of months in operation in the IRS tax year. That amount should be entered

on the “GROSS INCOME” field with the “NUMBER OF MONTHS FOR AVERAGE” as 1. The “GROSS EXPENSES” and “DISALLOWED EXPENSES” fields should be completed in the same way. Document in case comments how the figures on AFSE were determined.

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8.3.6 Unearned Income

Where do I find unearned income?

1. Statements made by the applicant/recipient
2. *KIDS* System
3. Unemployment Compensation Query
4. Data Exchange Queries (*CARES* Menu MND1) for *SSA*, *SSI*

Budgeting Unearned Income
Budgeting unearned income is just as important and is very similar to budgeting earned income. Unearned income amounts must be verified and a determination must be made regarding what monthly income is expected from each source. Payments received more or less often than monthly must be converted to monthly amounts.

2 for semi-monthly income (paid 2 times per month)
2.15 for bi-weekly income (paid every 2 weeks)
4.3 for weekly income (paid each week)
The eligibility worker should document clearly on CMCC or AFDU how the calculation was made and the rationale for that calculation.

Entering Unearned Income in CARES
Once you have verified and determined the proper amount of income to be budgeted, the next step is making the correct entries in CARES. The following unearned income codes cause the most confusion. *Child* support codes are discussed in the Child Support section.

Kinship Care payments are to be entered as “KC” income on the line of the child receiving the income.
SSI-E (4.3.4.1)

The E-Supplement payment is a reimbursement made to SSI recipients who are either living in a group home OR require 40 or more hours of care per month (including care provided by family members). The E supplement is added to the state supplement and can be verified on WSSI.

If an amount is entered as OTFS on AFUI, make sure it is still supposed to be there! Many entries were made to this screen as workarounds over the past

year, and some are no longer necessary. If you are entering OTFS income, be sure to document the reason on CMCC.

The following is a brief list of the potential codes available on AFUI that should be used in coding unearned income that pertains to Social Security benefits:

SI – SSI/Supplemental Security Income
SISE – SSI-E/Supplemental Security Income – Expenditure
SISS – State Supplemental Security Income
SSDC – Social Security Disabled Child
SSDI – Social Security Disability/Wage Earner
SSDW – Social Security Disability/Wife
SSRE – Social Security Retirement
SSSC – Social Security Surviving Child
SSSS – Social Security Surviving *Spouse*
SSWW – Social Security Disabled Widow (er)

There are a number of other codes that can and should be used to reference other types of unearned income, such as Unemployment Compensation or Worker's Compensation. These codes can be found if a # sign is entered on the line under "Income Type".

SSI Pass Accounts (4.3.4.2)
FoodShare policy allows for the exemption of income set aside for an SSI pass account. A new field is now available on the AFDU screen called the SSI pass account amount. This field can be used with the following unearned income types: SI, SISS, or SISE. For FoodShare budgeting, CARES will subtract the amount entered on the SSI E pass account field from the gross income amount entered.

If the SSI pass account amount is greater than the gross income amount, the worker will get the edit message "BTN - FYI - SSI PASS ACCT AMT GREATER THAN 'SI', 'SISS' OR 'SISE' PAYMENT AMT". If the entered amounts are correct, the worker should hit enter again to process. CARES will then budget zero for that income type.

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8.3.7 Child Support (CS)

All *CS* income types are listed in Table TVIN in *CARES*. *Child* Support income types are frequently entered incorrectly so this is a brief description of what to enter for cases receiving CS:

CSCC- CS current, Directly received- Use this code when CS is paid directly to the AG. Prorate the amount amongst all *kids* in the court order. This is the most common method of CS payment.

CSFC- Family Support, Current, Not retained - Use this when a payment for Family Support rather than CS is received directly. Family Support is a combination of Child Support and Maintenance. Prorate the payment among all members stated in the court order, including the custodial parent .

CSMC- Maintenance, Current, Not Retained- Use this code for maintenance payments made directly
to a person. Maintenance is a payment for the *spouse* (alimony). The amount applies only to the person named in the court order.

DON"T USE THESE CS CODES: They are obsolete for current entries: CS, CSCS, CSDP, CSDR, CSMN, CSSU, MN, CSCA, CSFA, CSMA, CSCR, CSFR, and CSMR. Only enter these codes if determining past AFDC, *FS* or *MA* over or underpayments. They don't work correctly when determining W2 or CC.

CSCR, CSFR, and CSMR- Only enter these codes to determine past W2 and CC over or underpayments. They won't work correctly for any other programs.

Each month, CARES receives financial information from KIDS via PIN numbers for ongoing cases. The amounts listed on IVFI are generally the amount of support from the prior month. This information is most helpful to alert workers when support starts or changes. Non-financial information is displayed on absent parent screens and IVDI and IVDE.

KIDS BASICS
This section has suggested methods for finding information in KIDS. It is not the only way to find this information - please consult the “KIDS Basics for Eligibility Workers” (to obtain a copy, ask your CARES Coordinator or Policy Coordinator to contact the DWS Training Section).

NOTE: The following case example is NOT an actual KIDS case.

To log on to KIDS:

1. At the sign-on screen, type “CICSP330”. Press ENTER.
2. Enter your logon ID and password. Press ENTER.
3. At the next screen, type “kase”. Press ENTER.

You will now be at the KIDS Main Menu.

1. To find all cases your participant is involved in, from the Main Menu search KIDS by selecting:

02 (Inquiry Functions), ENTER
02 (Case Information Submenu), ENTER
07 (IVD Case), ENTER

You should be at the Participant/Case Search screen:
Tab down and enter the participant's social security number and press ENTER.

```
KATQ0A    PWR595                K I D S              VTPX0434
06/04/98  13:53:50        PARTICIPANT/CASE SEARCH
-----------------------------------------------------------------------
 **  KEY IN    LAST NAME     _____________
           FIRST NAME    __________
           MI          _
           SEX          _

 **  OR  **    PARTICIPANT SSN, IF KNOWN        897749069

 **  OR  **    IV-D CASE #, IF KNOWN            ___________

 **  OR  **    PARTICIPANT PIN NUMBER, IF KNOWN  ___________

 **  OR  **    COURT CASE NUMBER, IF KNOWN       ______________


            IF THE SPELLING OF THE LAST NAME IS UNCERTAIN,
      A PHONETIC SEARCH OPTION CAN BE SELECTED AFTER THE
NAME SEARCH.
```

```
KATQ0C    PWR595                K I D S            VTPX0434  PAGE  01
06/04/98  14:08:13         LIST PARTICIPANT CASES
PART NAME WILLIAMS         PAMELA       PIN 0001533879  SSN
897749069
                PART      CASE FUNC CASE     CP NAME
  IV-D #  ROLE STAT RELN TYPE STAT LAST      FIRST CNTY  COURT
CASE #  ========== ==== ==== ==== ==== ==== ==== ========= =====
===== ==========
  1  164829 CP  A   MOTH CONT COLL OPEN WILLIAMS  PAMEL 55079
4092PA042177
  2  166207 CP  A   MOTH AFDC COLL OPEN WILLIAMS  PAMEL 55079
4085PA064076
  3  166207 CP  A   MOTH AFDC COLL OPEN WILLIAMS  PAMEL 55079
4085PA064077


            ENTER LINE NUMBER TO SELECT CASE FOR REVIEW 1_
```

```
---------------------------------------------------------------------------

F1-HELP          F2-JUMP-SAVE      F3-MAIN MENU      F4-SUB MENU

F7-PREV PAGE      F8-NEXT PAGE      F12-CANCEL        ENTER-
SELECT
```

NOTE: For any IV-D cases where the "case type" is KCAR or ARRK (Kinship Care cases), the CP is not the recipient of any support payments made. In these instances the child support payments are redirected to the State of Wisconsin.

A list of cases will be generated. Screen print this page. Only those cases that have a court case number (the far right column) will have support paid on them. The Participant's PIN appears in the upper right part of the screen.

2. To find out if any payments have been made to your participant, press F3 to return to the Main Menu.

   02 (Inquiry Functions), ENTER
   05 (Financial Information Submenu), ENTER
   16 (Disbursement Summary), Enter the social security number. ENTER

KIDS will bring up the Disbursement Summary showing all payments made for each participant. The data available includes the check print date, the court case for which the payment was made, the amount, and the check status.

This screen is useful for two reasons:

1. It provides disbursement only data, without the other processing information that can make the case and participant account statements difficult to read, and
2. It gives you the ability to track payments made on a particular court case when a payee is involved in multiple cases.

BE SURE TO WATCH FOR DIFFERENT COURT CASE NUMBERS AS EACH KIDS PARTICIPANT HAS A SEPARATE COURT CASE NUMBER ASSIGNED. IF PAYMENTS ARE BEING MADE TO A CUSTODIAL PARENT UNDER DIFFERENT COURT CASE NUMBERS, YOU WILL HAVE TO REFER TO THE "LIST PARTICIPANT CASES" SCREEN DESCRIBED EARLIER TO DETERMINE WHICH PAYMENTS ARE FOR EACH CHILD.

```
KATFKA    DWD333              K I D S             VTPX2087  PAGE  01
08/24/00  12:13:31         DISBURSEMENT SUMMARY
NAME: XXXX              TERRI      A PIN: 000690646   SSN: XXXXXXXXX
PRINT     CHECK/EFT                                STATUS    3PTY
```

```
DATE       NUMBER     COURT CASE      AMOUNT    STATUS    DATE
  RFND
----------  ----------  ------------  ----------  ----  ---------  ----
  1  08/21/2000  0009242589  2092PA000259       163.19  RCKO
08/21/2000
  2  08/10/2000  0009095072  2092PA000259       165.49  RCKO
08/10/2000
  3  07/26/2000  0008873977  2092PA000259       164.72  RCKO
07/26/2000
  4  07/11/2000  0008648593  2092PA000259       163.19  RCKR 08/04/2000

  5  06/26/2000  0008422383  2092PA000259       164.72  RCKO
06/26/2000
  6  06/12/2000  0008219278  2092PA000259       163.97  RCKO
06/12/2000




 ------------------------------------------------------------------------------
ENTER LINE NUMBER TO SEE DETAIL   __   FROM  06/01/2000  TO
08/24/2000
ACCOUNT BALANCE:       0.00          RECOUPMENT SUBACCOUNTS:



F1-HELP    F2-JUMP-SAVE    F3-MAIN MENU    F4-SUB MENU     F7-PREV
PAGE
F8-NEXT PAGE    F12-CANCEL   F14-JUMP-ERASE  F15-PRINT
  ENTER-SELECT
```

NOTE: The date fields can be changed to view disbursement summaries for any time period.

STATUS CODE	DEFINITION
RCCR	CANCELED, REISSUED
RCKC	CANCELED, NOT REISSUED
RCKO	OUTSTANDING
RCKR	CLEARED
RCKS	STOP PAYMENT

RCSR	ISSUED, STALE AND REDEEMED
RCVR	VOIDED/CANCELED AND REDEEMED
RCSD	BANK CLEARED CANCELED STALE-DATE CHECK

This chart explains all of the status codes listed on the Disbursement Summary screen under the heading “STATUS.”

3. Another way to find out if any payments have been made to your participant is by pressing F3 to return to the Main Menu.

   02 (Inquiry Functions), ENTER
   05 (Financial Information Submenu), ENTER
   05 (Participant Account Statement), Enter the social security number. ENTER

KIDS will bring up the Participant Account Statement showing any payments made to your participant. Enter an earlier “From Date” at the bottom of the screen for more history.

```
KATFAA    PWR595                K I D S          VTPX0434  PAGE   1 A
06/04/98  16:08:51     PARTICIPANT ACCOUNT STATEMENT
          **MORE**
NAME: WILLIAMS             PAMELA       PIN: 00001533879 SSN:
897749069

DEBT/SUBACCT TYPE: PART        $AMT PAID
STATUS/PYMT FREQ : RLSE        WITH
PAYEE ACCOUNT NBR: 0001533879   NO SUBACCT
MONTHLY ORDER AMT:                 $0.00
CUR MNTH AMT OWED:                 +0.00                 ============
=========== =========== ===========
01 05/18/1998 DISB      +0.00      -277.32
02 05/18/1998 DIST    +277.32        +0.00
03 05/04/1998 DISB     +0.00     -277.32
04 05/04/1998 DIST    +277.32      +0.00

             ENTER LINE NUMBER TO SEE DETAIL OR HISTORY   2_
             DATE FROM  03/01/1998    DATE TO  05/31/1998
F2-JUMP-SAVE F3-MAIN MENU F4-SUB MENU  F6-REST  F7-PREV PAGE
F8-NEXT PAGE
F9-FIRST PAG F12-CANCEL F14-JUMP-ERA F15-PRINT  F19-PAGE LEF
```

F20-PAGE RIG

In this example, two payments were made in May. The “FROM” and “TO” dates at the bottom of the screen show that the worker requested payments made from March through May. Pressing F8 brings up the next page. When the worker checked the history through March, it reflected that payments are being made regularly in the same amounts as above. Due to space limitations, these screens are not shown.

The code “DIST” is used for payments made by the Absent Parent. If no payments are found, the participant has not been receiving any support. If payments appear, request more information by selecting the line number of one of the “DIST” codes and pressing ENTER.

```
 KATFEB    DWD134              K I D S              L0CWH32A  PAGE  01
  06/04/98  11:44:18     LIST FINANCIAL EVENT/TRANSACTION


 EVENT TYPE:   RECEIPT     EVENT ID: 0042209400027      NOTES: N

 WORKER ID:  XDA195        APPR BY:            OVERRIDE CASE1:
95PA000221
 EFFECTIVE DT: 05/18/1998  DT RECVD: 05/18/1998 OVERRIDE CASE2:

 COLL METH:    CHEK        COLL SRCE: INCW             TERM ID:
L0CFEC6A
                     FROM              TO
  TRAN    FROM ACCT DEBT    TO ACCT   DEBT    AMOUNT     S
  DATE    TYPE   NUMBER   CLASS    NUMBER   CLASS   APPLIED
  REMAINING  T
 ========== ==== ========== ====== ========== ====== ==========
==========
 1 05/18/1998 POST   10             70557          277.32       0.00  R
 2 05/18/1998 ALOC  70557          129459          277.32       0.00  R
 3 05/18/1998 DIST 129459 CSUP      1533879         234.68       0.00  R
 4 05/18/1998 DIST 129459 CUSTA     1533879          42.64       0.00  R



   ENTER LINE NUMBER TO SELECT TRANSACTION: __
```

To determine if your participant received the payment, look in the “TO ACCT NUMBER” field. If your participant’s PIN appears, the payment was placed into your participant’s account. In most cases, this means the participant received the check; however, if he/she states he/she did not, first look at the details of the

payment (the instructions are covered under 3) to see if the check was actually mailed to him/her. If there is still a discrepancy, contact the Child Support worker.

The IV-D case number is the “FROM ACCT NUMBER” field on a DIST line for the payment that went to your participant’s PIN. Write this number down or screen print for use in step 4, viewing the order.

In this example, Pamela received the full $277.32 broken into two types of support: CSUP (current support) and CUSTA (arrears). Other codes can be found in the KIDS Appendix, p. 24.

The worker also checked the payment received 5/4 (detail not shown here) and found that the payment of $277.32 was applied entirely to CSUP (current support). Payments made in prior months were distributed in a similar manner. In most cases, payments are applied to current support first; any remaining amounts are then applied to arrears or other debt types. The total current support paid in May over the two payments was $512 (234.68 + 277.32).

Participants may be receiving payments on more than one IV-D case. In this scenario, although Pamela has more than one open IV-D case (per the List Participant Cases screen on page 3), only one absent parent is making payments.

To return to the Participant Account Statement to view other DIST transactions or get detail on when the check was mailed, press F12 (Cancel). Select another DIST or

4. To view details about a check sent to your participant, select the DISB that matches the amount you selected for the DIST above. “DISB” is used for the disbursement of payments to the court-ordered payee (such as your participant).

```
KATFEB    DWD134              K I D S              L0CWH32A  PAGE  01
 06/04/98  11:21:34     LIST FINANCIAL EVENT/TRANSACTION


 EVENT TYPE:   DISBURSEMENT  EVENT ID: 0000004721939        NOTES:
N
 WORKER ID:    KIDS9999      APPR BY:  KIDS9999    OVERRIDE CASE1:

 EFFECTIVE DT: 05/18/1998    DT RECVD: 05/18/1998  OVERRIDE CASE2:

 COLL METH:                COLL SRCE: INCW             TERM ID:
                    FROM             TO
 TRAN    FROM ACCT DEBT    TO ACCT   DEBT    AMOUNT     S
```

```
 DATE    TYPE   NUMBER   CLASS    NUMBER   CLASS   APPLIED
 REMAINING  T
 ========== ==== ========== ====== ========== ======
========== ====== =
1 05/18/1998 DISB  1533879       20             42.64       0.00  R
2 05/18/1998 DISB  1533879       20            234.68       0.00  R


              ENTER LINE NUMBER TO SELECT TRANSACTION: 1_
```

On this screen, the “From Account Number” indicates who received the payment. Since this payment was broken into two debt types (arrears and current support), two transactions are shown. Select one of the transactions by entering the line number in the blank and press F17 (SHIFT+F5) to see the check details.

```
KATCWJ    DWD134                K I D S              L0CWH32A
 06/04/98  12:45:39             CHECK QUERY
                                  COUNTY 55025
CHECK NUMBER       576207       - OR -        EVENT  DSB       4721939

  STATUS:       RCKO  05/19/1998      DISBURSED:   05/18/1998
  AMOUNT:            $277.32        PRINTED:     05/19/1998
                            CLEARED:
 THIRD PARTY PAYEE:
  PAYEE NAME:   WILLIAMS         PAMELA        P  PIN: 0001533879
        STREET 1:   409 JEFFERSON ST                APT:
        STREET 2:
        CITY:       DEFOREST             STATE: WI  ZIP: 53532
        COUNTRY:                         INTNL ZIP:
  PAYER NAME:   LUCAS             ANTHONY        B
  COURT CASE #: 1395PA000221
    --------------------------- CHECK NOTES ---------------------------
```

In this example, both disbursements were paid to the participant in one payment of $277.32. The PRINTED date is the date the check was mailed. The CLEARED date is the date the check was cashed by the bank. However, counties update the CLEARED field differently - some immediately and some in monthly batches. In general, the participant will receive the check within 1 to 2 days of the PRINTED date. The address the check was sent to and the AP’s name and court case number are also displayed.

5. (Press F3 to return to the Main Menu.) To find details about the order, from the main menu select

   02 (Inquiry Functions), ENTER

05 (Financial Information Submenu), ENTER
06 (Case Account Statement), ENTER

Enter the IV D case number in the correct line.

```
KATFAA    DWD134                K I D S          L0CWH32A  PAGE   1 A
 06/04/98  10:12:18      IV-D CASE ACCOUNT STATEMENT
          **MORE**
NCP: LUCAS          ANTHONY         B PIN: 0000060557 IV-D #: 0000164829
CP:  WILLIAMS       PAMELA          P PIN: 00001533879 WRKR #: XDA029

DEBT/SUBACCT TYPE: CASE   $AMT PAID   CHLD CSUP   CHLD CUSTA
STATUS/PYMT FREQ : RLSE     WITH        OPEN BIWK   OPEN
PAYEE ACCOUNT NBR: 064829  NO SUBACCT     1533879
MONTHLY ORDER AMT:             $0.00     $512.00     $0.00
CUR MNTH AMT OWED:              +0.00    +512.00     +0.00
 == ========== ==== ============ =========== =================
01 06/03/1998  BAL    +0.00     +0.00     +512.00     +128.08
02 05/31/1998 CHRG    +0.00     +0.00     +512.00       +0.00
03 05/18/1998 CHEK  +277.32     +0.00     -234.68      -42.64
04 05/04/1998 CHEK  +277.32     +0.00     -277.32       +0.00

              ENTER LINE NUMBER TO SEE DETAIL OR HISTORY  1 __

              DATE FROM  05/01/1998    DATE TO  06/04/1998
```

Select line 01 (BAL) and press ENTER.

```
KATFSA    DWD134             K I D S              L0CWH32A  PAGE  01
 06/04/98  10:31:43        SELECT CASE SUBACCOUNT
 NCP: LUCAS         ANTHONY         B PIN: 0000060557 IV-D #: 0000164829
 CP:  WILLIAMS      PAMELA          P PIN: 0001533879 WRKR #: XDA029
DB TO MO:       $0.00   CR TO MO:           $0.00     ACCOUNT BALANCE
DB TO DT:  $16,888.54   CR TO DT:       $16,888.54              $0.00
     DEBT  FREQ.    PERIOD     SUBACCT    S F
STAT TYPE  CLASS  PAYEE #  START DT   AMT DUE   AMT DUE
  BALANCE    I
 ==== ==== ====== ========== ========== ========= =========
=============
1 OPEN CHLD CSUP   1533879 08/04/1995 + 512.00   +     512.00 N N
2 OPEN CHLD CUSTA  1533879 08/04/1995 +   0.00 +    0.00 +    128.08 Y
3 OPEN CHLD CUSTAI 1533879 01/31/1996 +   0.00 +    0.00 +      5.12 Y
4 OPEN COST CBT         51 08/04/1995 +   0.00 +    0.00
5 OPEN NONS FRD         50 08/04/1995 +   0.00 +    0.00


                    ENTER LINE # TO SELECT  _1
```

The “DEBT CLASS” column lists all the types of support to be paid. Select the line number of a support type that is ordered to be paid to your participant (PIN appears in the Payee # column) and press ENTER. Note that a $0.00 in the Freq Amt Due column may indicate that a percentage is ordered. Debt class codes can be found in the KIDS Appendix, page A-24. Common codes are CSUP (Current Support), CUSTA (Arrears).

```
KATFSB    DWD134                K I D S              L0CWH32A
06/04/98  10:39:23       DISPLAY SUBACCOUNT DETAIL
NCP: LUCAS          ANTHONY        B PIN: 0000060557 IV-D #: 0000164829
CP:  WILLIMAS      PAMELA          P PIN: 0001533879 WRKR #: XDA029

DEBT TYPE:       CHLD
DEBT CLASS:      CSUP              SUBACCT STATUS:       OPEN
PAYEE ACCT #:       1533879         3PTY PAYEE TYPE / ID:
START DATE:      08/04/1995         PAID TO DATE:          $13,708.56
END DATE:        02/10/2014         NEXT CHARGE DATE:     06/30/1998

FREQUENCY AMOUNT DUE:        $512.00      EPS FREQUENCY:

PERIOD AMOUNT DUE:           $512.00      EPS AMOUNT:
CHARGING FREQUENCY:             BIWK      EPS START DATE:

FREQUENCY AMOUNT:            $256.00     EPS END DATE:
FREQUENCY PERCENT:
          * INDICATORS *             DEBIT TO DATE:       $16,128.00
IRS TAX: N  STATE TAX: N  LICENSING: N  DEBIT FOR MONTH:
       $0.00
COLLECTION AGENT: N INC WITHHOLDING: Y  CREDIT TO DATE:
   $15,616.00
INTEREST RATE:   0.00                CREDIT FOR MONTH:         $0.00
                              CURRENT BALANCE:        $512.00
CREATED: 12/01/1995    LAST UPDATED: 06/01/1998    BY WORKER:
KIDS9999
```

The Display Subaccount Detail screen displays the order amount and frequency. In this example, the non-custodial parent is ordered to pay current support of $256 biweekly. (KIDS converts this into a monthly amount based on the number of times the order has to be paid each month; they do not use 2.15 or 4.3 as we do.)

Press ENTER to return to the Select Subaccount Detail screen. If there were other types of support ordered, choose the support type and press ENTER.

To determine which children the support order is for, press F4 to access the Inquiry Functions Menu. Select

01 (Participant Information Submenu), ENTER
01 (Participant Data), ENTER

The List Case Participants screen lists the custodial parent, non-custodial parent, and children on the IV-D case.

```
KATQ0B    DWD134                K I D S            L0CWH32A  PAGE  01
 15:35:08  06/04/98         LIST CASE PARTICIPANTS
 NCP: LUCAS          ANTHONY        B PIN: 0000060557 IV-D #: 0000164829
 CP:  WILLIAMS       PAMELA         P PIN: 0001533879 WRKR #: XDA029

                                 S
 LAST NAME      FIRST NAME M    PIN   TYPE  T X BIRTHDATE  REL
  SSN
   ================= ========== = ========== ==== = =
========== ====
 1 WILLIAMS     PAMELA     P 0001533879 CP   A F 02/20/1961 MOTH
897749069
 2 LUCAS        ANTHONY    B 0000060557 NCP  A M 03/26/1966 FATH
325485422
 3 LUCAS        BRIANNE    A 0000061879 CHLD A F 10/04/1988 CHLD
369855477
 4 LUCAS        SYDNEY     D 0000067285 CHLD A F 02/10/1995 CHLD
395684552


              ENTER LINE NUMBER TO SELECT PARTICIPANT __
```

CARES ENTRIES

It is important that the income is correctly entered in CARES for proper issuance of benefits. Child Support and Family Support must be prorated among the members covered by the court order. REMEMBER that Family Support prorations probably include the custodial parent. Child Support would be prorated for only the children covered by the court order. Maintenance is budgeted for the person actually receiving it.

In the following example, the order is for 2 children (per the List Case Participants, above). When budgeting the support in CARES, an equal share is budgeted for each child. This is a complicated case example (just like the real world). Remember to budget only if payments are actually being made to your participant.

In this scenario, support is ordered biweekly. Based on the payment information found on the Participant Account Statement and the detail screens (pages 6 & 7), current support of $512 is paid monthly in two payments. The $42.64 applied to arrears is actually the result of the employer sending payments on a different schedule than what KIDS is programmed for. Based on a review of the payments, it appears the employer is sending payments semi-monthly. KIDS is looking for bi-weekly payments, meaning that 2 months a year the employer will send only two payments when KIDS is expecting three.

In a three paycheck month, KIDS will build an arrears balance for $256 (the biweekly amount). Then, over the next several months, the extra $42.64 will be applied against those arrears. Over a 12-month period, the average is $256 biweekly. To determine if this is happening, it is important to review the payment history. Another indicator would be if the arrears balance is less than one payment amount.

```
 AFUI                    UNEARNED INCOME            06/04/98 10:09
  CASE: 8101896384                WORKER: XWI006    XWI010 C
NEUENSCHWA
  LAST UPDATED: 06 04 98         CASE STATUS: OPEN    CASE MODE:
ONGOING
  UNEARN INCOME TYPES :

  NUM: 02 NAME: BRIANNE        LUCAS             SSN: 369 85 5477

  DC: __    BEGIN MMYY: 0598     END MMYY: ____
  SEQ
  NUM: 001 INCOME TYPE: CSCC CHILD SUPP-CURRENT,NOT RTND
    VR: DE

      INCOME BEGIN DATE: 08 04 95          INCOME END DATE: __ __ __

    INCOME DISCONTINUED: N     DATE LOSS OF INCOME REPORTED:
__ __ __
       FREQUENCY PERIOD: B BI-WEEKLY
         NUMBER OF PAYS: 1            FFU CS DISREGARD AMT:       .00

         MONTHLY AMOUNT:     275.20   CURRENT DISREGARD AMT:
      .00
                              SSA COLA DISREGARD AMT:       .00
 PF20 - DETAIL SCREEN
---------------------------------INDIVIDUALS----------------------------
01 PAMELA W (PP ) 03 SYDNEY L (DAU) 02 BRIANNE L (DAU) 04 SHELLY
W (DAU)
```

```
 AFDU              DETAILED UNEARNED INCOME            06/04/98 10:11
 CASE: 8101896384              WORKER: XWI006    XWI010 C
NEUENSCHWA LAST UPDATED: 06 04 98          CASE STATUS: OPEN
   CASE MODE: ONGOING
  NUM: 02   NAME: BRIANNE        LUCAS              SSN: 369 85 5477

  BEGIN MMYY : 0598    END MMYY:

  SEQ NUM:  1  INCOME TYPE: CHILD SUPP-CURRENT,NOT RTND

        PAY FREQUENCY: B BI-WEEKLY     FFU CS DISREGARD AMOUNT:
_________
        NUMBER OF PAYDAYS: 1         CURRENT DISREGARD AMOUNT:
_________
                              SSA COLA DISREGARD AMOUNT: _________
           PAYMENT  DATE        GROSS INCOME AMOUNT         VR


            05 01 98                275.20            DE
            __ __ __             _________            __
            __ __ __             _________            __
            __ __ __             _________            __
  PRESS ENTER TO RETURN TO UNEARNED INCOME SCREEN
```

To prospectively budget the income, the $256 received bi-weekly is multiplied by 2.15. The current support of $275.20 was calculated as follows:

The $256 is prospectively budgeted using the biweekly factor of 2.15:

$256x2.15=$550.40

The order is for two children; each is budgeted an equal share:

$550.40/2=$275.20

Sydney would have an AFUI screen completed exactly the same way as above.

Note: In this case, it was easy to see the regular payments on the participant account statement and to determine that the monthly amount paid matched the order. This is not true in all cases. Since child support amounts and payment dates frequently fluctuate, a best practice may be to average the child support paid in the 3 months prior to the review month. In some circumstances, more or less than 3 months can be used. Consider changes that have occurred or can reasonably be anticipated to occur when making the prospective estimate.

Document, document, document. If you document the method used to calculate prospective income, and it is reasonable, you reduce the risk of having a *QC* error.

This page last updated in Release Number: 05-01
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Effective Date: 03/01/05

8.3.8 Expenses and Deductions

The amount of the monthly expenses used to determine these deductions is determined prospectively using the best verified information available.

Expenses that are billed more or less than monthly must be converted to monthly amounts:
2 for semi-monthly expenses (billed 2 times per month)
2.15 for bi-weekly expenses (billed every 2 weeks)
4.3 for weekly expenses (billed each week)
If there is no regular interval between billing periods, average the expense over the period the expense is intended to cover.

SHELTER EXPENSES: AFSC
Budget the group's monthly shelter expense obligation prospectively in the FoodShare benefit calculation.

```
AFSC                    SHELTER COSTS                    07/13/98 09:26
 CASE: 8101896384                    WORKER: XWI006    XWI010 C
NEUENSCHWA
 LAST UPDATED:                    CASE STATUS: OPEN    CASE MODE:
ONGOING

 NUM: __ NAME:                              SSN:

 SHELTER COST TYPES :

 DC: __   BEGIN MMYY: ____    END MMYY: ____

 SEQ NUM:      SHELTER TYPE: __
        OBLIGATION AMOUNT: _________ VR: __
          PAYMENT AMOUNT: _________ VR: __
  CONTRIBUTES IN AN UNKNOWN AMOUNT? (Y/N): _


  SHELTER COST PAID TO: ___________________________________  PHONE:
___ ___ ____
           ADDRESS: ___________________________________
```

```
                CITY: _______________ STATE: __ ZIP: _________
---------------------------------INDIVIDUALS---------------------------------
  01 JIMMY B (PP )    02 JANE B (DAU)    03 SANDY B (DAU)


 NEXT TRAN: ____     PARMS:
8101896384_____________________________________
```

Example: Betty Jones and her son, Johnny, live with Betty's mother, Amanda Brooks. Betty contributes $200 towards the monthly mortgage of $500 and Amanda pays the remaining $300. On *CARES*, the worker will create an AFSC screen for Betty with an obligation of $200 and another screen (using PF16) for Amanda of $300.

Be sure to list ALL persons who share a residence on ANID to ensure proper proration of household expenses among all of the contributors.

UTILITY EXPENSES: AFUC

If a *FS* group is obligated to pay for heat you will need to answer "Y" for "Billed for Expense?" as well as "Used for heating?" on AFUC so that CARES will allow the HSUA. You must also have a "Y" on AFTQ to indicate this case has chosen the *SUA*.

DXLI is available to query *LIHEAP* payments. Be sure that payments were made at the current address and for the current or previous heating season.

On screen AFUC, a "Y" entered in the "Used For Heating " field for any utility type, will entitle the FS participant to the HSUA.

The fields that impose the SUA's are;

1. "Utility Type",
2. "Used for heating", and
3. "Obligation amount.

Example:

```
AFUC                    UTILITY COSTS                    09/09/02 14:16
CASE:                        WORKER: DWD262                              J
BRIKOWSKI
LAST UPDATED: 04 22 02              CASE STATUS: OPEN    CASE MODE:
ONGOING

NUM: 01 NAME: CARI          A SMITH          SSN: 999 99 9999

UTILITY COST TYPES :
```

DC: __ BEGIN MMYY: 0402 END MMYY: ____

SEQ NUM: 003 UTILITY TYPE: EL ELECTRICITY USED FOR HEATING? (Y/N) : Y
OBLIGATION AMOUNT: $68.00 VR: BI BILLED FOR EXPENSE? (Y/N) : N
PAYMENT AMOUNT: VR: BI
CONTRIBUTES IN AN UNKNOWN AMOUNT? (Y/N): N

UTILITY COST PAID TO: WISCONSIN PUBLIC SERVICE_____ PHONE: ___ ___ ____
ADDRESS: 3300 N MAIN ST_____
CITY: OSHKOSH_____ STATE: WI ZIP: 54901____

On AFSQ answer "Y" to any utilities the household indicates they use. Make the appropriate entries on AFUC for all utilities a "Y" was entered for on AFSQ. Indicate on AFUC what type of utility you are entering, whether it is used for heating and either the obligation amount or a "Y" for "contributes in an unknown amount."

NOTE: The "OT" Other field is no longer an option. Do not make entries in this field. Entries made in this field will not effect benefit amounts.

On screen AFTQ, if anyone in the *Food* Unit receives LIHEAP a "yes" should be entered in the LIHEAP field to impose the HSUA. The second question, "Does your HH elect to use the Standard Utility Allowance" field, is no longer an option..

Participants who indicate they do not pay for heat, but have verified expenses for other utilities (electric, cooking fuel, water, sewer, telephone, and/or trash), will receive the LUA or the assigned standard for that utility.

NOTE: It is important to review the budget screens for accuracy on EFAD when processing these cases with the new utility amounts before confirming on AGEC.

Be sure to document in case comments (CMCC):

1. How the household's expenses and deductions are shared among the contributors.
2. Why a deduction was not allowed – i.e., client declares no shelter cost; failed to verify.
3. Any unusual circumstances that affect deductions or allowances in the FS budgeting process.

STANDARD UTILITY ALLOWANCE (SUA): AFTQ

If the FS group has a utility expense, a utility allowance will be assigned. The response to “used for heating” on AFUC determines which standard is allowed by CARES in the FS allotment determination.

```
AFTQ        STANDARD UTILITY ALLOWANCE QUESTIONS        07/13/98
09:54
  CASE: 8101896384              WORKER: XWI006   XWI010 C
NEUENSCHWA
  LAST UPDATED: 06 08 98         CASE STATUS: OPEN    CASE MODE:
ONGOING




  DOES ANYONE IN YOUR HOUSEHOLD CURRENTLY RECEIVE A
LIHEAP PAYMENT ?   (Y/N/?) Y

  DOES YOUR HOUSEHOLD ELECT TO USE STANDARD UTILITY
ALLOWANCE ?      (Y/N/?) Y


 NEXT TRAN: ____     PARMS:
8101896384_____
```

```
AFDC                DEPENDENT CARE EXPENSES          07/13/98 10:05

 CASE: 8101896384                    WORKER: XWI006    XWI010 C
NEUENSCHWA
 LAST UPDATED: 07 13 98             CASE STATUS: OPEN    CASE MODE:
ONGOING

 NUM: __ PAYOR NAME:                              SSN:

  DC: __  BEGIN MMYY: ____  END MMYY: ____   DISCONTINUOUS
INCOME ? (Y/N):

  SEQ NUM:
  DEPENDENT CARE IS PAID FOR: __                        VR:


     PROVIDER:         NUM: __
          NAME OF PROVIDER: _____ _
```

_____
ADDRESS OF PROVIDER: _____

PHONE: ___ ___ ____ CITY: _____ STATE: __ ZIP: _____

ALLOWABLE DEPENDENT CARE OBLIGATION AMOUNT: _____
ALLOWABLE DEPENDENT CARE PAYMENT AMOUNT: _____
----------INDIVIDUALS----------
01 JIMMY B (PP) 02 JANE B (DAU) 03 SANDYB (DAU)

NEXT TRAN: ____ PARMS: 8101896384_____

If the *child* care is subsidized, budget only the amount the participant is obligated to pay. This obligated amount must be verified. Do not include any portion paid by any other source. If the client is not obligated to pay a co-payment (maybe the provider waived it) don't allow the expense, and document this on CMCC

MEDICAL INSURANCE COVERAGE: AFMC
Convert insurance premium expenses to monthly amounts and enter on AFMC. Make sure that the elderly or disabled individual is listed as covered by the insurance on screen AFMI.

MEDICARE PREMIUM: AFMD
Enter the NET Social Security amount (after the Medicare deduction) on CARES screen AFUI and the Medicare Premium amount on AFMD with the appropriate payer information. CARES will automatically use the proper amounts to determine the FS and Medicaid eligibility. *SSA* information is found by accessing the DXSA screen with the SSN or PIN. SOLQ (DXSQ) is another query that can be accessed for information using the SSN.

REMEMBER, F1 IS AVAILABLE ON MANY CARES SCREENS EXPLAINING EACH SCREEN.

AFMD MEDICARE 07/13/98 10:18
CASE: 8101896384 WORKER: XWI006 XWI010 C NEUENSCHWA
LAST UPDATED: 07 13 98 CASE STATUS: OPEN CASE MODE: ONGOING

NUM: __ NAME: SSN:

```
  DC: __ BEGIN MMYY: ____    END MMYY: ____

ENTITLED TO PART A? (Y/N): _ BEGIN DATE: __ __ __ END DATE: __ __
__  VR:
     PART A PREMIUM AMOUNT: _________
      PART A PREMIUM PAYOR: _____ VR: __

ENTITLED TO PART B? (Y/N): _ BEGIN DATE: __ __ __ END DATE: __ __
__  VR:
     PART B PREMIUM AMOUNT: _________
      PART B PREMIUM PAYOR: _____ VR: __

                    HIC: ____________
 RAILROAD RETIREMENT ? (Y/N): _

---------------------------------INDIVIDUALS----------------------------
  01 JIMMY B (PP )    02 JANE B (DAU)    03 SANDY B (DAU)


 NEXT TRAN: ____     PARMS:
8101896384_____________________________________
```

MEDICAL EXPENSES: AFME

Enter allowable medical costs incurred by the group on AFME. Use the PF16 key to add a screen for multiple payment processes, such as a hospital bill being paid according to an arranged payment schedule and other medical expenses such as prescriptions incurred on an ongoing “pay as you go” basis at a pharmacy. Do not include the Social Security Medicare premium entered on AFMD. Allowable medical expenses found in 4.6.4 and Part A & B Medicare information can be found on DXSA.

CARES will automatically calculate the total medical expenses from AFMD, AFMC, and AFME and subtract the first $35.

```
AFME              MEDICAL EXPENSE                  07/13/98 10:29
 CASE: 8101896384              WORKER: XWI006    XWI010 C
NEUENSCHWA
 LAST UPDATED:                 CASE STATUS: OPEN    CASE MODE:
ONGOING

 NUM: __ NAME:                              SSN:
  DC: __ BEGIN MMYY: ____ END MMYY: ____

 SEQ NUM:     EXPENSE TYPE: __                SERVICE DATE: __ __ __
```

```
 SOURCE/PROVIDER: _____ VR: __

 INCURRED BY    : __

   TOTAL BILLED AMOUNT   :   _________
   TPL AMOUNT          :  - _________
   CLIENT LIAB AMOUNT    :             BUDGETABLE EXPENSE :
_________

   FS PAYMENT PLAN? (Y/N):    _             NUM OF MONTHS : __

---------------------------------INDIVIDUALS-----------------------------
  01 JIMMY B (PP )    02 JANE B (DAU)    03 SANDY B (DAU)


 NEXT TRAN: ____     PARMS:
8101896384_____________________________________
```

This switch is for medical expenses paid through an established payment plan. For instance, there is a $1200 hospital bill being paid monthly over 12 months. The expense is entered, then the “Y” is entered for “FS Payment Plan” and “Num of Months” = 12. CARES will allow $100 per month as the expense.

Remember to update these screens at review and remove any expenses no longer incurred. Also, medical expenses are only allowed for elderly, disabled, or blind customers.

CHILD SUPPORT OBLIGATION: AFSP

```
AFSP                    SUPPORT PAYMENTS             07/13/98 10:32
 CASE: 8101896384               WORKER: XWI006    XWI010 C
NEUENSCHWA
 LAST UPDATED: 07 13 98          CASE STATUS: OPEN    CASE MODE:
ONGOING

 NUM: __ PAYOR NAME:                              SSN:

 DC: __  BEGIN MMYY: ____  END MMYY: ____

 SEQ NUM:      SUPPORT TYPE: __

       COURT ORDERED(Y/N)?: _
         OBLIGATION AMOUNT: __________  VR: __
           PAYMENT AMOUNT: __________  VR: __
```

```
---------------------------------INDIVIDUALS-------------------------
  01 JIMMY B (PP )    02 JANE B (DAU)    03 SANDY B (DAU)


 NEXT TRAN: ____     PARMS:
8101896384_____________________________________
```

Deduct court ordered child support paid by FS households to non-household members. Allowable child support payments include:

1. All child support payments actually paid by eligible members including:
   a. Arrearages,
   b. Legally obligated payments made on behalf of the non-food unit member (such as rent or mortgage payment), and
   c. Legally obligated payments for health insurance.
2. A prorated share of child support paid by ineligible members

Do not allow:

1. Maintenance,
2. Payments made in accord with a property settlement.
3. Lying in costs for the birth of a child.
4. The annual child support R&D fee, or
5. An employer's check withholding fee.

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8.3.9 Migrant Eligibility

Budgeting Income

Since budgeting procedures are different for Medicaid and FoodShare, special entries must be made in *CARES* for it to work appropriately. Medicaid requires annualizing earned income for migrants if they are currently employed in the agricultural field. Therefore, it is necessary to make the following entries for that type of income.

1. Enter usual information concerning employer, FEIN, start dates, etc., on AFEI.
2. PF20 to AFWG. Enter "0" for amount of income on this page and under comments enter "See AFUI."

3. Go to AFUI and enter OTFS code. PF20 and under comments show computation of Gross Earnings, minus 20 percent, to get the figure to be entered on above line.

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8.3.10 Case Management

Using The "?" Correctly In CARES

If policy requires that a client submit verification at application, review, or change, and the client does not have the required verification, place a in the VR field on the screen which is relevant to the information in *CARES*.

NOTE: When an AG is pending, CARES will issue the last confirmed benefit amount.
By placing the <?> in the VR field and running SFED, the AG or individual is placed in pending status (unless the case is over the gross income or asset limit - in which case the AG will fail and can be confirmed). Pending AGs cannot be confirmed. The information to be verified will be added to the Verification Checklist, which can be seen on EEVC and printed from AGVC when SFED is run.

On Mondays alerts are generated for all cases which will reach a verification due date during that week. If requested verification is not received by the due date, change the <?> to the appropriate code and run SFED:

<F> for case level questions (e.g. AFEQ)
<NV> for detail level screens (e.g. AFEI)

Once SFED is run and the case is confirmed, the alert can be deleted from the alerts list.
This will either close the affected program(s) or disallow deductions.

REMEMBER

- pends *FS* if the verification being requested is required
- <NV> closes FS or disallows deductions if the verification being requested is required
- Do not change the <?> to an <NV> unless 10 days have passed for ongoing cases or 30 days have passed for applications.

Request For Contact

The agency may obtain unclear information about changes in a Food Unit's circumstances from which the agency cannot readily determine the effect of the change on the Food Unit's case. The agency may receive such unclear information from a third party or from the Food Unit itself. If there is not enough information reported to fill out the appropriate CARES screen, the worker should use the "Loss of Contact" field to request contact from the recipient and to close the FoodShare case if contact is not made timely.

The notice advises the Food Unit that there has been unclear information reported and the need to contact the agency within 10 days. If there are other items that need to be verified, the notice will list those specific items. The notice will also state the consequences if they fail to respond. The Food Unit has 10 days to respond either by telephone or by other correspondence to clarify its circumstances. The burden of clarifying an issue is placed on the Food Unit. If the Food Unit does not respond to the request for contact, the agency must issue a notice of closure for loss of contact and close the FoodShare case. If the Food Unit does respond but refuses to provide sufficient information to clarify its circumstances, the agency must also issue an appropriate notice to close the FoodShare case.

Request for Contact CARES Procedures

A field, "Loss of Contact" (Y/N/?) was added to ACCH. This field will default to N (no).

```
ACCH                CASE HOUSEHOLD INFORMATION          03/12/03 16:13

 CASE: 7700299170          WORKER: XCTE26  CASELOAD: 2278    XCTE26
S PLOESER
 LAST UPDATED: 03 10 03              CASE STATUS: OPEN    CASE MODE:
ONGOING
 OFFICE NUM: 5040  MILW DSS
 SESSION CONTROL DEFAULT FOR EFFECTIVE/BEGIN MMYY: 0303

 CASE FILE LOCATION: IN  LOCATION DATE: 01 10 03        FILING DATE:
01 10 03
    IVD ASSIGNMENT:                          CASE CLOSED DATE:

            FIRST      MI       LAST         SUF   LANG IND   IN HOUSEHOLD
 IP NAME: LENNIE_________ _ LOSSOFCONTACT_______ ___       E
          Y

                 NUMBER   UNIT DIR  ST/RURAL RT/BOX#   SUF QUAD APT

 HOUSEHOLD ADDRESS: 123______ ___  W_ ANY_________________
ST__ __ _____
```

_____ FINAL ADDR VR: O

CITY: MADWAUKINE_____ STATE: WI ZIP: 555550000 VR: CC

PHONE: 000 0000 ALTERNATE ADDRESS (Y/N): N
CENSUS TRACT NUM : ____ REGION NUM: 06
HAVE YOU RESIDED IN WI ALL YOUR LIFE? (Y/N): Y LAST SIXTY DAYS?: _ VR: __
PREVIOUS WI RESIDENT? (Y/N): _ DATE MOVED FROM WI: __ __ ____
STATE MOVED FROM: __ DATE MOVED TO WI: __ __ ____ RES REQ MET:
LOSS OF CONTACT? (Y/N/?): ?

NEXT TRAN: ____ PARMS: 7700299170_____

Once determined that contact is needed with the food unit, the worker will change the N to ? and run SFEX or SFED. The FoodShare case to pend, and generate a verification checklist (AEL2) stating "Unclear information has been received. Contact the agency within 10 days."

EEVC VERIFICATION CHECKLIST 02/27/03 11:12
CASE: 1000487211 CAT: FS SEQ: 01 WORKER: XCTA83 C NEUENSCHWA
LAST UPDATED: 02 27 03 CASE STATUS: PENDING CASE
MODE: INTAKE

NUM NAME PENDING VERIFICATION DESCRIPTION

01 JANE F 088 Proof of the household address.

569 Unclear information has been received. Contact the agency w ithin 10 days.*
02 KID F 295 Proof of birth date.

AEL2

AEL2
You have not provided all the verification that we need for your FOOD STAMPS assistance group. Although you may have already given us some of the information we asked for, it did not tell us everything we need to know. Here is a list of what we still need:

Information about your household:

Proof of the household address.

Unclear information has been received. Contact the agency within 10 days.
Information about the following individuals:

NOTE: In order for the verification checklist to be generated, you must enter a "Y" for mailing or a "P" for online printing on AGVC.

An alert will be sent to the worker 10 days after the verification checklist is generated (this process will follow the current logic for any items on the verification checklist). If verification is not received within 10 days, enter a Y (yes) in the "contact needed" field on ACCH, run SFED or SFEX and confirm. The FS AG will close with reason code 136, for loss of contact.

```
AGEC          ELIGIBILITY RESULTS CONFIRMATION          02/26/03 11:42

CASE: 3000487239                    WORKER: XCTA83    XCTA82 C
NEUENSCHWA
LAST UPDATED: 02 26 03              CASE STATUS: PENDING CASE
MODE: INTAKE

ELIGIBILITY REVIEW DATE:

       PMT BEG  PMT END   BENEFIT    AG     ELIG      REASON     MR
  CONFIRM
CAT  SEQ  DATE     AMOUNT   STATUS  CODES      RSN   (Y/N)

CC   01 04 01 03              0.00  DE     FAIL   112          __      N
CC   01 03 01 03  31 03       0.00  DE     FAIL   112          __      N
CC   01 02 01 03  02 28 03       0.00  DE     FAIL   112          __      N
CTSX 01 04 01 03              0.00  DE     FAIL   438          __      N
CTSX 01 03 01 03  31 03       0.00  DE     FAIL   438          __      N
CTSX 01 02 01 03  02 28 03       0.00  DE     FAIL   438          __      N
FS   01 04 01 03              0.00  DE     FAIL   142          __      N
FS   01 03 01 03  31 03     191.00  DE     FAIL   112 136      __      N
FS   01 02 26 03  02 28 03     20.00  DE     FAIL   112 136      __      N
```

The notice generated will indicate that the FS AG is closing because there has been a loss of contact with the agency:

Food Stamps (FS)

Your application for FOOD STAMPS dated 02/26/03
has been DENIED effective 02/26/03 through 02/28/03

Here's why:
Information needed to determine eligibility for this program has not been verified. See your verification checklist or contact your worker for more information.

You have lost contact with the agency.

NOTE: If specific items of verification are missing, those items should still be requested individually and processed in CARES accordingly. The “Loss of Contact” field should not be used to replace a request for specific items of verification.

Example 1: If a FoodShare participant tells you they moved but you haven't received verification, use the appropriate address VR fields.

Example 2: A Notice of Decision was sent to Mike at Adverse Action. The notice was returned to the agency by the Post Office as “undeliverable” with no forwarding address. The worker should enter a “?” on the “Loss of Contact “ field and request verification of Mike’s new address. If Mike does not contact the agency within 10 days, the worker should enter the “Y” on “Loss of Contact” and close the FoodShare case.

Example 3: Mary’s neighbor reports to the agency that a man has moved in with Mary and her children. The neighbor doesn’t know the man’s name or if he is related to Mary or her children. The worker should enter a “?” in the Loss of Contact field and send the verification checklist requesting contact. If Mary does not contact the agency within 10 days, a “Y” should be entered and the FoodShare case closed due to loss of contact.

Example 4: Lydia’s landlord reports he believes either Lydia or her husband is working but doesn’t know where. The worker doesn’t know if Lydia or her husband is the one working or what the source of income is. The worker should enter the “?” on the “Loss of Contact “ field and send the verification checklist requesting contact. If Lydia does not contact the agency within 10 days, a “Y” should be entered and the FoodShare case closed due to loss of contact.

If the landlord had reported that Lydia was now working at ABC Corporation, the worker would enter the appropriate information on AFEI and use the “?” s on that screen to pend the case and request verification.

8.3.11 Data Exchange

Data exchange is a case maintenance tool used to correctly manage data exchange information on a daily, monthly, and quarterly basis. The following is a chart detailing the most commonly needed crossmatch information that needs to be updated in *CARES*:

Description	Tran	Parm
State Wage Match	DXRL	/DLSW//mmyy/mmyy
Unemployment Compensation	DXRL	/DLUC//mmyy/mmyy
BENDEX	DXRL	/SSBX//mmyy/mmyy
SSI	DXRL	/SSSI//mmyy/mmyy
SSN Verification	DXRL	/SSWS//mmyy/mmyy
BEER (Beneficiary Earnings Exchange Record	DXRL	/IRBW//mmyy/mmyy
Unearned Income (IRS Match)	DXRL	/IRUI//mmyy/mmyy
New Hire Information	DXRL	/DXNH//mmyy/mmyy

Reference table TDXT is a complete list of all exchange codes. Table TDXT is useful because it provides workers a listing of the exchange type codes to use in the parms field when accessing DXRL.

Each crossmatch should be acted on once per month in order to accurately maintain information in CARES. Once a crossmatch is brought up in CARES, it must be updated and a disposition should be entered. The update screen is DXRU with a PARM of SSN/crossmatch type/date. If a worker action (WA) is required on a crossmatch, then the update screen must be reviewed.

Security

Special precautions must be taken for match data. The Internal Revenue Service (IRS) Unearned Income matches and the Beneficiary Earnings Exchange Record (BEER) Wage Match are subject to the safeguarding requirements from the IRS. In the rare instances that a hard copy is made of a safeguarded record (i.e. evidence for a hearing), it should be kept locked up in a secure place and destroyed when the match disposition is completed and the record is no longer needed. A signed release of information is needed from the owner of the safeguarded information in order to release any information

regarding that data. Under no circumstances should workers discuss safeguarded information with anyone else besides the person for whom the information pertains.

DXRC Screen (Data Exchange Response List by Case)

This screen is scheduled in the review driver or can be tranned to directly. It is scheduled after screen ANRQ. All outstanding dispositions for all individuals in a case are displayed on DXRC.

```
DXRC            DATA EXCHANGE RESPONSE LIST(BY CASE)      02/14/03
16:54
                                        JX2000 A Doe
CASE: 2000483224

    SSN             OUTSTANDING DISPOSITIONS BY EXCHANGE TYPE


 1  312064089  SSBC  SSBX  SSWS

 2  266548803  SSBC

 3  501289630  SSBC

 4  602105483  SSBC

 5  322680463  SSBC

 6  325060489  SSBC

 7  467812605  FNDQ  SSBC

                ENTER SELECTION NUMBER: __

NEXT TRAN: ____     PARMS:
2000483224_____ MORE...
```

ENTER SELECTION NUMBER: On this field enter the number associated with the SSN that you want to display on DXRL. By entering 01 and <enter> DXRL is displayed.

```
DXRL            DATA EXCHANGE RESPONSE LIST          03/10/03 08:08

                                        XCTG04 P KIERN
```

SSN NUMBER: 312064089 PIN: 2001191235 CASE: 2000483224

EXCHANGE TYPE: MATCH MONTH BEGIN:
STATUS: MATCH MONTH END:

	SSN	NAME		ST	EX TYPE	MATCH DT	ACT
1	312064089	SMITH	GRAHAM	MI	SSBC	01 22 03	WA
2	312064089	SMITH	GRAHAM	WI	SSBX	01 26 03	WA
3	312064089	SMITH	GRAHAM	WI	SSBX	01 25 03	WA
4	312064089	SMITH	GRAHAM	WI	SSBX	01 24 03	WA
5	312064089	SMITH	GRAHAM		SSWS	01 23 03	WA

You can get back to DXRC by pressing PF20. At any time during processing if you want to get back to DXRC, but have lost the CARES case number in the parm, tran back to DXRL with the SSN and then you can PF20 to DXRC.

Other DX Enhancements

1. SWICA Match Criteria Change

The quarterly wage matches are to be verified/completed only for individuals who are active in CARES for all 3 of the calendar months in the quarter.

The match criteria allows a $300 tolerance level per individual per quarter. The match assesses whether the amount entered in CARES is greater or less than the amount reported by the employer. This change increases the accuracy of the match information and the creation of DX discrepancy. Eligibility workers still have the ability to query quarterly wage information for any applicant or recipient, however many inappropriate dispositions will not be created.

2. DXNH (New Hire)

New hire matches run weekly. The matches are spread out over the entire month so the information is more current and meaningful.

NOTE: These matches can be reduced by entering the FEIN for an employer on CARES screen AFEI when a recipient reports new employment. The FEIN can be found on DXQE, accessed from DXQW or through AQEF in CARES. Screen AQEC is accessible by tranning to the screen directly or by entering a # in the FEIN field on AFEI. When entering new employer information of AFEI, the worker should use AQEF to query, find and enter the FEIN for the customer's employer.

3. DXUC (Unemployment Insurance)

This process provides alerts to eligibility workers when the unemployment insurance income amount that has been entered in CARES is greater or less

than the amount reported by the Division of Unemployment Insurance (DUI). Eligibility workers receive alerts when dispositions have been created due to discrepancies in the income amounts. The tolerance level is $100 a month.

For the UCB match, alert 345 is generated to the primary worker of the case and alert 346 is the informational alert generated to the secondary worker.

For Internet UCB the alert for the primary worker is 342. The informational alert for the secondary worker is 343.

4. SSWS (SSN Mismatch)
A disposition will no longer be generated for these mismatches. Any outstanding SSWS dispositions will be updated to NA status as of 3/21/03.

NOTE: When you delete an SSN from ANID, it will show as an alias SSN on AIAL. If the alias on AIAL is the result of a typo and it is not a truly verified alias SSN that the client has used, you should delete that SSN from AIAL to avoid future DX matching.

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8.3.12 Change Reporting Guidelines

Processing Reported Changes

In order to prevent agency "failure to act" *QC* errors, eligibility workers must take timely action on reported changes. Once verified, if a change causes an increase in benefits, issue the appropriate supplement within 10 days or on the first of the following month, whichever is later. If the change causes a decrease in benefits, act on the change within 10 days from the date of the reported change and allow for adequate notice of adverse action.

NOTE: For QC purposes it is important to remember that the 10 days required to be allowed for customers to provide verification is the same 10 days that workers have to act on a reported change. Therefore, if verification is necessary, issue the request to the customer as soon as possible following the change report. See *FSH* 1.2.1.

Example 1: Jerome reported a move to his worker, Sandy, on August 12. Sandy gave him 10 days to verify the new address and shelter expenses. He turned in a copy of his lease on the 9th day. Sandy should enter the changes on that day if possible, but not later than the end of the next day.

All reported changes that cause an increase in the *FS* benefit including person additions ("adds"), decreases in income of $50 or more, increases in expenses,

etc., will be effective the first of the month following the report month if required verifications are received within 10 days of the request for verification.

Required verifications are due within 10 days of the request, including verifications required for a person add. If verifications are not received within 10 days, and the FS case is not closed for at least one day, make the change effective the first of the month following the month verifications are received.

Example 2: Lisa reports on March 5 that her husband left the home on February 27. He was employed and his leaving causes a decrease in Lisa's household income of more than $50.
The *ESS* would redetermine the prospective estimate of Lisa's household income for April and issue benefits for April based on the new estimate.
Under the old policy the agency could have used discretion to determine if an auxiliary for March should be issued due to hardship. This is no longer allowed.

If verifications are not received within 10 days, and the FS case is not closed for at least one day, make the change effective the first of the month following the month verifications are received. (See 6.1.3.2.)

For reported changes that result in a decrease in benefits, process the change to allow for adequate negative notice to be issued to the customer.

Example 3: Lisa reports on June 3 that her husband moved back into the home on May 29.
The ESS adds the husband to *CARES* and requests verification of his income.
His income will cause a decrease in FoodShare benefits. Lisa provides the verification on June 10. Notice of a decrease in benefits is issued at adverse action in June and benefits are decreased for July.

If verification is not provided within 10 days, the ESS would enter an 'NV' on AFEI and FoodShare would close June 30 for failure to verify income.

If an individual is requesting to be added to the FoodShare group following a disqualification due to *IPV*, failure to comply with *FSET* requirements, failure to comply with other FS program requirements, or was an ineligible alien, eligibility for the previously excluded person will be effective the first of the month following the period of disqualification, or the first of the month following their request to be added back to the FS group, whichever is later.

Example 4: Lisa's husband Jim fails to participate in FSET and is sanctioned from August 1 – August 31. Lisa calls on August 25 and requests that Jim be added back to the FS group on September 1. Verification is complete.

The ESS adds Jim to the FS group effective September 1. If Jim is a mandatory FSET participant, the referral to FSET would not be effective until September 1.

If Lisa's request for Jim to be added back to the FS group was made on or after September 1, he would be added to the group effective the first of the month following the request.

NOTE: Remember to adequately verify and document all reported changes.

Processing Reported Changes in Expenses

If a customer reports a new expense as the result of a change in the source of the expense, end date the previous expense in CARES and enter the new expense and source. The expense must be verified in order to be counted.

Example 5: Lisa reports on June 20 that she and her family will be moving on July 1. Her new rent amount will be $600 per month.

Her worker end dates her June shelter expense and enters a new sequence on AFSC for July and requests verification.

If this change results in an increase in Lisa's FS benefit, and Lisa submits verification within 10 days, her ESS will issue a supplement for July. If the change was reported in July (and verified timely), Lisa's FS benefit would increase for August.

If Lisa does not verify the expense within 10 days, the ESS will enter an 'NV' for the rent and the expense would not be allowed. If Lisa later provides verification, the expense would be allowed effective the 1st of the month following the receipt of the verification.

If a customer reports an increase in an expense from the same source the previous verified expense is counted until the increase is verified or until the next review is completed.

Example 6: Lisa reports on September 15 that her landlord will be increasing her rent to $650 per month in October. She has not moved.

The ESS requests verification of the increased rent by entering $650 as the new rent amount with a "?". A verification request will be generated by CARES requesting verification of the new rent amount within 10 days. The previous verified expense of $600 is allowed until the increase is verified since CARES will continue to issue the previous confirmed FS benefit while the verification of the new shelter expense "pends".

If Lisa does not provide verification of the increased rent amount within 10 days, the ESS would re-enter the previously verified expense of $600 with the previous verification code. The $600 expense would be allowed until Lisa's next review or until verification of the increased rent amount is provided.

When Lisa completes her review, the current shelter expense ($650 in this example) must be verified in order for the expense to be allowed. If the $650 expense is not verified timely following the review interview, the ESS will enter 'NV' for the expense.

If a customer reports a decrease in an expense from the same source the new expense must be verified in order to be allowed.

Example 7: Lisa calls in December and reports that her monthly *child* care expense will be decreasing from $250 to $150 in January. She has not changed providers. The ESS changes the child care expense amount to $150 on AFDC and requests verification. If verification is not provided within 10 days, the ESS enters 'NV' for the expense and the expense is not allowed.

Since this change will cause a decrease in benefits, adequate time for verification and negative notice must be allowed. The expense of $250 must be allowed until the new amount is verified or an 'NV' is entered.

Eligibility reviews for other programs and their impact on FoodShare Certification Periods

Reviews completed for other assistance programs no longer automatically count as a review for FS and will not change the FS certification period. The new question, "Is this a review for *Food* Stamps?" has been added to ANRQ. Workers who are completing a face-to-face review for FS must answer this with <Y> for the process to count as a recertification for FS. Workers who are completing a face-to-face review for another program of assistance should answer this with "yes" only when the review should also affect the FS certification period.

```
ANRQ            ELIGIBILITY REVIEW QUESTION            09/11/03 15:51
 CASE: 5000507657                    WORKER: XCTD57    B KING
 LAST UPDATED:                    CASE STATUS: OPEN    CASE MODE:
INTAKE




        IS THIS A FACE-TO-FACE REVIEW? _
```

IF YES, SHOULD THIS COUNT AS A FOOD STAMPS REVIEW? _

CARES Changes

In addition to the question on ANRQ, CARES wills track types of FS assistance groups to determine the length of the certification period and appropriate Interim Reporting Requirements.

The following FS type language, indicating whether the food unit is subject to interim reporting, will appear on the gross and net budget screens and FS allotment screen.

1. *EBD* with no earnings, no interim reporting
2. Interim reporting AG
3. *Homeless*, no interim reporting
4. *Migrant*, no interim reporting
5. Transitional FS – 5 month Cert. No interim reporting

EFGT – Food Stamp Gross Income Test

```
EFGT            FOOD STAMP GROSS INCOME TEST            01/30/04 09:17

 CASE: 7700318476 CAT: FS   SEQ: 01   WORKER: XCTG04        P KIERN

 DETERMINATION DATE: 01 30 04       AG STATUS: OPEN    ELIGIBILITY
STATUS: PASS
 PAYMENT BEGIN DATE: 03 01 04 PAYMENT END DATE:          FS CAT.
ELIGIBLE: Y

 FS TYPE: Interim reporting AG
 TEST FOR PROSPECTIVE MONTH:           1

   SELF-EMPLOYMENT-EARNINGS:          .00
    EXCESS SELF EMP EXPENSE:-        .00           DEEMED INCOME:
        .00
   EMPLOYMENT EARNED INCOME:+      400.00             AFDC GRANT:+
        .00
  GROSS EMPLOYMENT EARNINGS:=      400.00       W2 PAYMENT
AMOUNT:+         .00
           UNEARNED INCOME:+        .00      W2 COMP CASE AMOUNT:+
        .00
   NET FINANCIAL AID INCOME:+        .00       CTS BENEFIT AMOUNT:+
        .00
                FARM LOSS:-        .00    OTHER UNEARNED INCOME:+
        .00
```

```
    COUNTABLE GROSS INCOME:=      400.00 SISS/SISE/CTS
RECOUPMENT:-        .00
                                    UNEARNED INCOME:=        .00
                AG SIZE:          02
        GROSS INCOME LIMIT:         .00
THE AG HAS PASSED THE FOOD STAMP GROSS INCOME TEST


 NEXT TRAN: ____     PARMS: 7700318476/FS
 /01/030104_____________________ MORE...
```

EFNT – Food Stamp Net Income Test

```
EFNT              FOOD STAMP NET INCOME TEST              01/30/04 09:19

 CASE: 7700318476 CAT: FS   SEQ: 01   WORKER: XCTG04        P KIERN

 DETERMINATION DATE: 01 30 04        AG STATUS: OPEN    ELIGIBILITY
STATUS: PASS
 PAYMENT BEGIN DATE: 03 01 04 PAYMENT END DATE:          FS CAT.
ELIGIBLE: Y

   FS TYPE: Interim reporting AG
   TEST FOR PROSPECTIVE MONTH:   1                  GROSS INCOME: =
   400.00
                                 EARNED INCOME DEDUCTION: -     80.00
                                    STANDARD DEDUCTION: -    134.00
         TOTAL MEDICAL COSTS:        .00
          MEDICAL DEDUCTION: -       .00
     EXCESS MEDICAL EXPENSES: =       .00 EXCESS MEDICAL
EXPENSES: -       .00
                                DEPENDENT CARE DEDUCTION: -       .00
             SHELTER COSTS:        .00        SUPPORT PAYMENT: -       .00
 ACTUAL UTILITIES OR STANDARD: =       .00        ADJUSTED INCOME: =
   186.00
       SHELTER/UTILITY COSTS: =       .00
      50% OF ADJUSTED INCOME: -     93.00       SHELTER DEDUCTION: -
     .00
 EXCESS SHELTER/UTILITY COSTS: =       .00     NET ADJUSTED
INCOME: =    186.00
                                          AG SIZE:          2
                                     NET INCOME LIMIT:     1010.00
 THE AG HAS PASSED THE FOOD STAMP NET INCOME TEST
```

EFAD – Food Stamp Allotment Determination

```
EFNT            FOOD STAMP NET INCOME TEST            01/30/04 09:19

 CASE: 7700318476 CAT: FS   SEQ: 01   WORKER: XCTG04        P KIERN

 DETERMINATION DATE: 01 30 04       AG STATUS: OPEN    ELIGIBILITY
STATUS: PASS
 PAYMENT BEGIN DATE: 03 01 04 PAYMENT END DATE:          FS CAT.
ELIGIBLE: Y

   FS TYPE: Interim reporting AG
   TEST FOR PROSPECTIVE MONTH:   1                GROSS INCOME: =
   400.00
                                 EARNED INCOME DEDUCTION: -     80.00
                                     STANDARD DEDUCTION: -    134.00
         TOTAL MEDICAL COSTS:        .00
           MEDICAL DEDUCTION: -       .00
     EXCESS MEDICAL EXPENSES: =       .00 EXCESS MEDICAL
EXPENSES: -       .00
                                 DEPENDENT CARE DEDUCTION: -       .00
             SHELTER COSTS:        .00        SUPPORT PAYMENT: -       .00
 ACTUAL UTILITIES OR STANDARD: =       .00        ADJUSTED INCOME: =
   186.00
       SHELTER/UTILITY COSTS: =       .00
      50% OF ADJUSTED INCOME: -     93.00       SHELTER DEDUCTION: -
      .00
 EXCESS SHELTER/UTILITY COSTS: =       .00     NET ADJUSTED
INCOME: =    186.00
                                          AG SIZE:          2
                                     NET INCOME LIMIT:     1010.00
 THE AG HAS PASSED THE FOOD STAMP NET INCOME TEST
 NEXT TRAN: ____      PARMS: 7700318476/FS
 /01/030104_____ MORE...
```

Change Impact Matrix

Household Type	Initial Certification Period and SMRF requirement	Change Reported	Date Change Acted On	Impact on Certification Period	SMRF Reqmt.
Regular	12 months - SMRF required	Homelessness or Migrant in household	Prior to Adverse Action in the 4th	CARES will shorten the certification period to 6	No

			month of the certification period	months requiring a review in month 6 to continue eligibility.	
Regular	12 months - SMRF required	Homelessness or Migrant in household	After Adverse Action in the 4th month of the certification period	No effect on the original certification period of 12 months	Yes
Homeless or Migrant	6 months – No SMRF req.	Reports securing housing or no longer migrant	Any time during certification period	Certification period stays at 6 months	No
EBD household with earnings*	12 months – SMRF required	Source of earnings ends	At any time during the certification period	No effect on certification period.	No
EBD without earnings	12 months – No SMRF required	New source of earnings	Prior to AA in the 4th month	No effect on certification period.	Yes
EBD without earnings	12 months – No SMRF required	New source of earnings	After AA in the 4th month	No effect on certification period.	No
TFS	5 months – No SMRF required	Changes other then death of PP, or loss of WI residence by PP	Any time during the certification period	No effect	None
TFS	5 months – No SMRF required	Death of PP or loss of WI residence by PP	Any time during the certification period	TFS closes – client must re-apply	N/A

* A SMRF may be sent in cases where a change is acted upon between AA of the 4th month and when the SMRF is generated. A SMRF may no longer be required to be turned in, however, if one is, the changes reported must be acted upon.

SMRF Processing Desk Aid

Timeline

The SMRF is sent to the recipient the Friday after Adverse Action in the 5th month of the certification period. The 'complete' SMRF is due back in the local agency by the 5th day of the 6 month, or the 'report month', however, the SMRF can be turned in complete, and must be acted on if it is returned prior to the last day of the report month. **Make every effort to act on it immediately**.

Returned forms
Date stamp and log in the returned SMRF on CMIL or ANIR. Once logged in as received the worker must review the form and determine if it is complete. A form is complete if all the Yes/No questions are answered and the form is signed.

Complete forms
On ANIR, enter the CMP code and the date the form was received complete .

Tran to ACDF to select all IR screens necessary to enter the changes reported on the SMRF, including all income screens. Enter the changes and the appropriate verification codes. If verification was not returned with the SMRF, enter a ?. Enter new wages reported on AFWG with a ? if current pay stubs or other appropriate verification are not included.

Run SFED/SFEX and send out verification letter and if appropriate the EVF-E requesting earnings information from AGEV.

Verification
Notify client as soon as possible if verification is needed. The recipient has 10 days to provide verification from the date it is requested. If verification is not returned timely, enter NV or QV in the appropriate fields and run SFED/SFEX. FS closed prior to the end of the report month may reopen for month 7 without a new application if requested verification is received prior to the end of month 6, or within 10 days of the request date, whichever is later.

Incomplete forms
Enter on ANIR the code "INC" and the date it was received incomplete.
Enter changes reported on the incomplete SMRF with either the appropriate verification code or a ? if verification was not returned with the form.

Run SFEX/SFED and request verification if necessary.

Either return the Incomplete form with the Incomplete SMRF letter or contact the client to make arrangements for him/her to sign the form and/or answer the unanswered questions. Once the form is complete follow the instructions above for processing a complete SMRF.

Issuing 7th months benefits
The SMRF must be recorded as "CMP" on ANIR within the report month.

All appropriate verification must be received and verification codes entered for all reported changes and for all income.

SFEX/SFED must be run and Month 7 benefits confirmed on AGEC.

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8.3.13 Transitional FoodShare (TFS)

W-2 and TFS

Eligibility for TFS benefits is determined by *CARES* at Adverse Action (AA) in the month the last *W-2* payment is issued. If the household receives a W-2 payment for only one month, CARES will look at the month prior and use the budget and household situation without subtracting *TANF* since it was not in the budget during the benefit determination month.

When the *FS* case is closed in either the benefit determination month or the month the last W-2 payment is issued, the case is not eligible for TFS. If the case is open in the benefit determination month but closed in the month the last W-2 payment is issued, the TFS benefit will be determined automatically if the FS case reopens before AA in that last W-2 month. If the FS case reopens after AA, the worker will have to enter the reason code “544” on AGOE to set the five month TFS benefit period. Once the override is confirmed on AGEC, this action will properly set the TFS benefit period, not requiring any additional worker action. Once the initial override is set, workers will not have to return to AGOE each time they run SFEX/SFED. The budget on AGFB does not have to be adjusted once the TFS benefit amount is entered on AGEC. After confirming the override on AGEC, the worker must then go to AGOR to adjust the review date to set the 5-month certification period.

If ending TFS benefits which were started incorrectly, use the override code 547 on AGOE to end TFS. Determine overpayments based on the FoodShare reduced reporting requirements.

Tribal TANF (TT) and TFS

When a FS household’s TT payment ends, the FS AG is eligible to receive TFS, unless the same TT group receives a W-2 payment the following month.

CARES will determine TFS eligibility for households receiving TT when:

1. The end MM/YY field is completed on a TT AFUI sequence, or
2. The payment amount on a TT AFUI sequence is changed to zero.

The TFS benefit period will begin the month following the change on AFUI if the change is made and confirmed before Adverse Action (AA). If the change is made and confirmed after AA the TFS benefit period will begin the month following the next month after the change is made. For example, if the worker end dates the TT on July 10th, the TFS benefits will begin in August. If the TT is end dated on July 24th, after AA, TFS benefits will be issued in September.

In cases where a W-2 payment will be issued in the month following the last TT payment, workers must first confirm the W-2 payment, rerun SFEX, and confirm all benefits. This will continue regular FS benefits for the household.

In two *parent* households and companion cases if one individual's W-2 payment position ends and another individual begins to receive TT in the next month, without a gap, the FS group is
not eligible for TFS. Due to CARES limitations, CARES incorrectly opens TFS in these cases. The worker must change the reason code on AGOE from 544 to 547, confirm the override and rerun SFEX/SFED to issue regular FS benefits. If the TT payment does not begin the month following the last W-2 payment, TFS benefits should open automatically.

Note: When end dating a screen, always update the begin mmyy to the month the income is ending.

FSET Exemption and TFS

The TFS *FSET* exemption code is TF. The exemption begins as soon as the worker processes AIWP after ending TT or W-2 from a paid placement to a case management only placement. If CARES does not determine the exemption correctly, the worker could override the referral by entering TF on AIWP.
CARES and Dual Participation

When a FS household reports a member has moved out of the TFS household, the worker should enter a "15" living arrangement code on ANLA for that individual, run SFEX/SFED, and then delete the individual on ANID, rerun SFEX/SFED and confirm. The original TFS benefit amount will remain unchanged for the full five month benefit period provided the person who was removed does not begin receiving FS in another case. If this individual does receive FS in another case, CARES will decrease the original TFS household size by one and the allotment amount accordingly. CARES will make this change at Adverse Action for the following month.

Note: You must rerun SFEX/SFED and confirm all benefits on AGEC after deleting an individual on ANID.

If a worker is notified by another state that a TFS household member is receiving FS in another state, the TFS household size should also decrease by one

person. If the individual is still included in the case, the worker should update the begin date on ANBR and enter a <Y> for receiving FS in another state. CARES will then adjust the benefit amount automatically at adverse action.

If the individual has been deleted from the case, the worker must complete an override on AGOE to decrease the benefit amount. The worker will be able to adjust the benefit by entering the new amount on AGOE and confirming the new benefit on AGEC. The budget on AGFB does not have to be adjusted and the new benefit amount will hold in CARES until the end of the TFS benefit period.

Applying for regular FoodShare Benefits

During the TFS Benefit Period

The request to end TFS and apply for regular FS is processed as a recertification review. The question "Transitional FS Open, Do you want to re-apply for regular FS?" has been added to ACPA and will display when a household is eligible for TFS benefits.

ACPA screen with new TFS question.

```
ACPA                    PROGRAM OF ASSISTANCE          02/12/04 07:59
CASE: 7700320071                     WORKER: XCT061    JX9216 L BAUER

LAST UPDATED: 02 05 04            CASE STATUS: OPEN    CASE MODE:
ONGOING

PP: 01 NAME: YOKO            RAY                    SSN: 351 02 3710
EFFECTIVE MMYY: 0204                         OVERRIDE DATE: 02 05 04

PROGRAM OF ASSISTANCE: FS
                    FOOD STAMPS
REQUESTING THIS PROGRAM/SUB PROGRAM OF ASSISTANCE? (Y/N):
Y
INDIVIDUALS TO BE INCLUDED IN THE PROGRAM OF ASSISTANCE


  01 Y  02 Y  03 Y

TRANSITIONAL FS OPEN, DO YOU WANT TO RE-APPLY FOR REGULAR
FS? (Y/N): N

DO YOU REQUEST SEPARATE FS FOR ELDERLY AND DISABLED
PERSON UNABLE
TO PURCHASE AND PREPARE MEALS DUE TO DISABILITY?          (Y/N):
N
--------------------------------INDIVIDUALS----------------------------------
```

```
 01 YOKO  R (PP )    02 KUMIK R (DAU)    03 TIM   T (NOT)


NEXT TRAN: ____     PARMS:
7700320071_____________________________________ MORE..
```

When a household requests to end their TFS benefits and apply for regular FS benefits, the worker trans to ACPA and answers <Y> to this question. The worker must enter changes reported by the customer and run SFED/SFEX to determine a regular FS allotment amount. A new CARES screen, TFS/FS CHOICE SCREEN (EFTF) has been added to display both the TFS benefit amount and the regular FS amount, determined using the changes entered during the interview. The recipient has the choice of which allotment they will receive.

New FS choice screen – EFTF

```
EFTF                TFS / FS CHOICE SCREEN          09/09/03 11:23
CASE: 5000507657   CAT: FS   SEQ: 01          WORKER: XCTD57    B KING

LAST UPDATED: 08 13 03              CASE STATUS: OPEN    CASE MODE:
INTAKE

PP: 01 NAME: BETTE          SAND                 EFFECTIVE MMYY: 0803


YOUR TRANSITIONAL FOOD STAMP ALLOTMENT IS:     XXXX.XX

      YOUR FOOD STAMP ALLOTMENT WOULD BE:     XXXX.XX
              THIS IS A DIFFERENCE OF: +/- XXXX.XX

WHICH ALLOTMENT AMOUNT DO YOU WISH TO RECEIVE:
TRANSITIONAL (T)
      OR REGULAR (R) FS? (T/R) _
```

The worker will enter the choice, “T” for TFS or “R” for regular. Once a “T” has been entered to indicate the recipient has chosen to remain on TFS, the worker will have to rerun SFEX/SFED to change the choice to an “R”. If an “R” is entered to indicate the recipient has chosen the regular FoodShare benefit, the field will blank out if the worker either trans back to a budget screen or reruns SFEX/SFED. This allows the worker to change the choice indicated on EFTF anytime before confirmation.

If the regular FS benefit is chosen, a face-to-face recertification review must be completed. If the household chooses to continue receiving the TFS benefit a recertification review is not required.

TFS benefits will continue to be issued while verification is pending. If verification is not turned in, the TFS benefits will continue through the end of the five-month benefit period. Once regular FS benefits are confirmed, the TFS will end. Should a household apply for FS after adverse action (AA) in the fourth month of the TFS benefit period, the EFTF comparison screen will not display because the households' TFS eligibility ends in the recurring month.

Note: Changes reported during the face to face recertification request may affect other assistance programs the customer receives.

When TFS Benefit Period Expires

The TFS benefit period will end after five months. TFS households will receive a notice approximately 45 days before the end of the TFS benefit period to contact their worker to schedule the recertification review. To continue receiving FS benefits the household must complete a face to face recertification review before the end of the 5th month of the TFS benefit period. The applicant must complete the review and submit necessary verification for their household's current situation to avoid any gap in FS benefits. If the review is not completed, the FS case will close and a new application will be required.

Example 2: Steve's household receives TFS. His girlfriend had triplets and will be unable to work for three months. Steve called his worker on May 12th to find out if his household allotment would increase on regular FS. The worker schedules a face to face interview with Steve. At the interview, Steve provides all of the necessary verification items, the worker runs eligibility and screen EFTF shows that the regular FoodShare amount is greater than the TFS amount, the worker confirms the regular FS case, which will start in June.

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8.3.14 Case Transfers Processing Guidelines

8.3.14.1 Move Reported to or Discovered by the Transfer-Out (Old) Agency

If the move is reported to or discovered by staff in the transfer-out agency, that agency is responsible for gathering appropriate information, requesting any needed verification, and making the appropriate changes in *CARES*. Once any

outstanding verification is returned, the worker should enter the verification codes, update case comments, complete any data exchange (DX) dispositions, and transfer the case to the new (transfer-in) agency. If verification is returned to the transfer-out worker, it must be mailed to the transfer-in agency to prevent over-verification.

If outstanding verification is not returned timely, the worker in the transfer-out agency should enter NV in the appropriate fields on CARES screens, run SFEX, confirm the case, and transfer the case to the new county.

8.3.14.2 Move Reported to or Discovered by the Transfer-In (New) Agency

If the move is reported to or discovered by staff in the transfer-in agency, a worker from that agency should gather any information on changes and request verification. The transfer-in agency worker should contact the transfer out worker and let her/him know that the case is going to be transferred to the new agency.

The worker in the transfer-out agency should then update case comments and complete any outstanding DX dispositions before the new agency transfers in the case.

Workers in both agencies should communicate with each other and work together to ensure the transfer is completed in the most efficient manner with the least amount of trouble for the client.

When the case is transferred to the transfer-in county, the review due date on AGOR is set to the end of the month following the date the transfer is done. The transfer-in county then schedules and completes a review/*FS* application and a new recertification date is set for 12 months with a SMRF due at 6 months.

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8.3.15 DEEMING PROCESS

Currently *CARES* does not support this Immigrant Sponsor Deeming policy. Until CARES is programmed to support this, please use this recommended work around to budget the deemed income to
the sponsored immigrant:

Steps for the Sponsor:

1. You may use CMCC to track the sponsor's income manually; or
2. You may create the appropriate income (AFEI/AFSE/AFUI) screens and enter $0 in the amount field for all screens. Then in the appropriate AFEI/

AFSE/ AFUI screen/s, enter the sponsor's actual income in the comment fields for tracking purpose.

3. Manually calculate the sponsor's income outside of CARES by using the immigrant sponsor deeming formula below to determine the deemed amount.

Steps for the Sponsored Immigrant:

Create AFUI and enter income deemed from the sponsor (manually calculated above) as other (OTFS) income.

Deem the income of the sponsor and the sponsor's *spouse* (if living with the sponsor). Deem:

All earned income of the sponsor and sponsor's spouse reduced by 20% of their Earned Income *Disregard*, and by the gross income limit for a household equal in size to the sponsors household. If the sponsor signs an affidavit of support for more than one immigrant, the sponsor's income is pro-rated among the sponsored immigrants.

Example: Larry sponsors 2 immigrants (Harry and Mary). Larry signed an affidavit of support (I-864) sponsoring them. Larry lives with his wife (Karry), and their 2 children. Larry and Karry have $3000 in combined earned income.

Earned Income:	$3,000
E.I. Disregard (20%):	$ 600
Unearned Inc:	+$ 0
Net Inc:	$2,400
Gross Inc. Limit (4):	$1,994
Inc. Deemed:	$ 406

Number of immigrants Sponsored: 02
Sponsor's contribution per immigrant: $406/2 + $ 203

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