

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	TEMPORARY CASH ASSISTANCE MANUAL	
DEFICIT BUDGET 911	COMAR 07.03.03.04	FINANCIAL ELIGIBILITY 900

911 EXPENSES EXCEED INCOME

A. When a customer's monthly living expenses exceed the known income or assets, the local department must:

1. Require that the applicant or recipient provide an explanation of how the living expenses are or are not being met. The applicant or recipient may:
 - a. Submit written statements from individuals who are assisting them that include:
 - i. The individual's name, address, telephone number
 - ii. A summary of the type of living expenses being paid, the amount paid, and if paid directly to the vendor or given to the customer
 - Encourage the customer to have the expenses paid directly to the vendor
 - b. The customer providing an explanation or proof that the living expenses are not being met, such as:
 - i. Requests for extensions of time that have been made and granted
 - ii. Notices regarding utility turn-offs.
 - iii. Letters or court notices for overdue rent or unpaid mortgages
2. Advise the customer that failure to provide the requested information may result in denial of the application or closing of the active case.
3. Advise customers that they must report all sources of income even if reporting it makes them ineligible to receive TCA benefits.
4. Review and evaluate the information and verifications received and make a decision to continue the case, close the case, or deny the application request.
5. If information, documentation, or verifications are questionable, contact the source for verification (example: the same or similar signatures on verifications or documents should be checked) .

B. If the decision is made to continue the case with a deficit budget, the local department must:

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	TEMPORARY CASH ASSISTANCE MANUAL	
DEFICIT BUDGET 911	COMAR 07.03.03.04	FINANCIAL ELIGIBILITY 900

1. Clearly document the situation and circumstances in the narrative, and
 2. Monitor the situation, setting an alert to review in 90 days
- C. If the decision is made to close the continuing case or deny the pending application, the local department must send appropriate adverse action (denial or timely and adequate notice for closing) including the following information:
1. A statement of the intended action
 2. The effective date of the intended action
 3. The reason for the action
 4. The Code of Maryland Regulations (COMAR) which supports the intended action
 5. The rights of the applicant or recipient
 6. Hearings information
 - **DHR/FIA 334 form, Appeal for Fair Hearings**
- D. If the case continues, but there is still a suspicion of unreported resources or income, refer the case to the Office of the Inspector General.

NOTE: Many times when asked how they meet their deficit budget, customers will respond with, "It's very hard." That is not an answer. The customer needs to tell the case manager how they are doing it. If the rent is paid and the utilities are still on, the customer is paying the bills some way and they are required to tell the case manager how.

EXAMPLES:

Example 1: All of the customer's expenses have been paid, but the amount of her expenses exceeds the TCA grant amount. She states her mother pays the rent for her directly to the landlord

- Have the customer get a statement from her mother or from the landlord which gives:
 - The name, address, and telephone number of the mother or the landlord

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	TEMPORARY CASH ASSISTANCE MANUAL	
DEFICIT BUDGET 911	COMAR 07.03.03.04	FINANCIAL ELIGIBILITY 900

- A summary of how the daughter is being helped
- The statement becomes a part of the case record, and the case manager includes the facts of the situation in the narrative
- If the customer does not get the statement, deny or close the case for failure to verify

Example 2: All of the customer's expenses have been paid, but the amount of her expenses exceeds the TCA grant amount. She states her mother gives her the money to pay the landlord

- Verify the status of the money from the mother:
 - Is it a loan to be repaid to the mother?
 - Can/will the mother make the payment directly to the landlord?
- If it is a loan or if the mother will pay directly to the landlord, the money is not income to the customer
- If the mother continues to give the money directly to the customer, the money is a countable income:
- If the income exceeds the TCA grant:
 - Deny the application, or
 - Close the case after appropriate timely and adequate notice.
 - Refer for an overpayment, if applicable

Example 3: Customer's expenses exceed the grant amount. The customer's rent, gas and electric have not been paid. She has an eviction notice and a gas and electric turn-off notice.

- Process an emergency assistance grant, according to the local plan, if the customer is eligible
- Make referrals to other community agencies

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	TEMPORARY CASH ASSISTANCE MANUAL	
DEFICIT BUDGET 911	COMAR 07.03.03.04	FINANCIAL ELIGIBILITY 900

- Discuss options for the future:
 - Moving
 - Getting a roommate
 - Finding employment
- Stress the importance of reporting all changes in her circumstances

Example 4: The customer's rent has not been paid and he has no idea of how he will pay the outstanding rent, nor does he know of anyone who will help him. Continue the TCA grant. (Talk to this customer about planning for the possibility of eviction, the need to reduce expenses and options as listed above in example 3)

- Explore any and all other possible resources:
 - Emergency Assistance
 - Other departments within DHR
 - Other community agencies outside of DHR

Example 5: The landlord temporarily reduced the rent until the family has more income. However, the customer is expected to pay the higher rent amount when he is financially able

- Complete CARES narrative explaining this information
- Do a follow up during the next scheduled recertification or interim change