

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 1

100 Household Composition

- 100.1 Purpose**
- 100.2 General Food Supplement Program Household Definition**
- 100.3 Required Household Combinations**
- 100.4 Boarders**
- 100.5 Individuals in Foster Care/Kinship Care Subsidized Guardianship Program**
- 100.6 Ineligible Individuals and Households**
 - 100.61 Ineligible Immigrants**
 - 100.62 Disqualified Individuals**
 - 100.63 Residents of Institutions**
- 100.7 Special Eligibility Situations**
- 100.8 Non-Household Members**
- 100.9 Verification**
- 100.10 Designating the Head of Household**

101 Strikers

- 101.1 Purpose**
- 101.2 Definition of a Striker**
- 101.3 Determining Striker Status and Eligibility**
- 101.4 Verification and Reporting**
- 101.5 Work Registration**

102 Students

- 102.1 Purpose**
- 102.2 Student Status**
- 102.3 Eligibility Requirements**
- 102.4 Definition of Work Study**
- 102.5 Work Registration**
- 102.6 Enrollment Status**
- 102.7 Income and Resources**

103 Residents of Shelters for Battered Women and Children

- 103.1 Purpose**
- 103.2 Definition of Shelter**
- 103.4 Income and Resources**
- 103.5 Expedited Service**
- 103.6 Action on Changes to Former Households**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 2

104 Self-employed Households

- 104.1 Purpose**
- 104.2 General Information**
- 104.3 Work Registration**
- 104.4 Resources**
- 104.5 Special Income Considerations**
- 104.6 Income Computation**
- 104.7 Self Employment Earned Income Deduction**
- 104.8 Self Employed Farmer**
 - 104.81 Definition of Self Employed Farmer**
 - 104.82 Basic Standards**
 - 104.83 Computing Income and Farm Expenses**
 - 104.84 Shelter Portion of the Farm**
 - 104.85 Tobacco “Pounds” (Rights)**
 - 104.86 Garnishment and Bankruptcy**
 - 104.87 Specific Types of Payments**
 - 104.88 Farm Losses Offset Against Other Income**
 - 104.89 Earned Income Deduction**
 - 104.891 Verification**
 - 104.892 Making Changes**

105 Households With Boarders

- 105.1 Purpose**
- 105.2 General Information**
- 105.3 Income From Boarders**
- 105.4 Allowable Costs of Doing Business**
- 105.5 Computing Income**

108 Households Containing Non-member

- 108.1 Purpose**
- 108.2 General Information**
- 108.3 Nonmembers of a Household**
- 108.4 Ineligible Members**
- 108.5 Treatment of Income, Deductions and Resources of:**
 - Individuals who do not meet the Citizenship, or Eligible Immigrant Status**
 - Able-bodied Adults without Dependents who are not Meeting the Work Requirements**
 - Individuals Disqualified for Failure to Provide a Social Security Number**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 3

108 Households Containing Non-member (continued)

- 108.6 Treatment of Income and Resources of a Member who is Ineligible because of a Disqualification**
- 108.7 Other Ineligible Household Members**
- Chart – Counting Income, Resources and Deductions of Ineligible Household Members**

109 Other Special Households

- 109.1 Purpose**
- 109.2 Group Living Arrangement (GLA)**
 - 109.21 Definition**
 - 109.22 Verification of Facility Status**
 - 109.23 Customer Eligibility Requirements**
 - 109.24 Authorized Representative**
 - 109.25 Determining Eligibility and Benefits**
 - 109.26 Use of the FSP Allotment**
 - 109.27 Responsibilities of GLA Facility**
 - 109.28 GLA Center Responsibility and Liability**
 - 109.29 Misuse of Food Supplement Program Funds**
- 109.3 Veterans and Surviving Spouses/Children**
 - 109.31 Eligible Persons**
 - 109.32 Permanent Disabilities under the Social Security Act**
 - 109.33 Verification**
- 109.4 Elderly and Disabled Living with Others**
 - 109.41 Definition**
 - 109.42 Determining Individual Household Status**
 - 109.43 Determining Disability**
 - 109.44 Verification of Separate Status**
- 109.5 Residents of Treatment Centers for Drug Addiction and Alcoholism**
 - 109.51 Verification of Facility Status**
 - 109.52 Eligible Persons**
 - 109.53 Authorized Representatives**
 - 109.54 Case Processing for Residents of Treatment Centers**
 - 109.55 Resident Rights**
 - 109.56 Budgeting**
 - 109.57 Responsibilities of Treatment Centers**
 - 109.58 Treatment Center Responsibility and Liability**
 - 109.59 Misuse of Food Supplement Program Funds**
- 109.6 Residents of Homeless Shelters**
- 109.7 Maryland Senior Nutrition Assistance Program (MSNAP)**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 4

- 109.71 MSNAP Household Composition
- 109.72 Operating Procedures
- 109.73 Application Procedures
- 109.74 Allotment
- 109.75 Verification Process
- 109.76 Recertification
- 109.77 Change Reporting
- 109.78 Administrative Hearings
- 109.79 Quality Control
- 109.80 CARES

110 Residency

- 110.1 Residency
- 110.2 Residency Requirements
- 110.3 Verification

115 Categorical Eligibility

- 115.1 Definition
- 115.2 Categorically Eligible Individuals and Households
- 115.3 Application Processing

120 Citizenship and Immigrant Status

- 120.1 Determining Immigration Status
- 120.2 U.S. Citizen or non-citizen National
- 120.3 Qualified Immigrants
- 120.4 Immigrants who have Lived in the United States for Five Years
- 120.5 Immigrants Eligible during the 5-Year Ban on Immigrant Eligibility
- 120.6 Immigrant Children
- 120.7 Disabled Immigrants
- 120.8 Elderly Immigrants Lawfully Residing in the U.S. on August 22, 1996
- 120.9 Work Quarters
- 120.10 Military Connection
- 120.11 American Indians and Hmong or Highland Laotians
- 120.12 Immigrants who are Victims of Severe Trafficking in Persons
- 120.13 Immigrants who have been Battered or Subjected to Extreme Cruelty
- 120.14 Verification of Immigration Status
- 120.15 Responsibility of the Local DSS to Obtain Verification
- 120.16 Status of Household while Awaiting Verification of Eligible Immigrant Status
- 120.17 Ineligible Immigrants

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 5

- 120.18 Reporting Illegal Immigrants**
- 120.19 Calculating the Countable Income and Resources from an Ineligible Immigrant**
- 120.12 Case Processing**
- Chart – Qualified Immigrant Categories under the 1996 Welfare and Immigration Laws**
- Chart – Desk Guide to Immigrant Eligibility Effective 10/1/03**

121 Sponsored Immigrants

- 121.1 Definitions**
- 121.2 Deeming of a Sponsor’s Income and Resources for Immigrants Admitted under the Affidavit of Support**
- 121.3 Steps For Determining Eligibility**
- 121.4 Eligible Sponsored Immigrants Responsibilities**
- 121.5 Awaiting Verification**
- 121.6 Overissuance Due to Incorrect Sponsor Information**

122 Migrants

- 122.1 Purpose**
- 122.2 General Information**
- 122.3 Definition of a Migrant Worker**
- 122.4 Applications**
- 122.5 Household Concept**
- 122.6 Residency and Identity**
- 122.7 Work Registration**
- 122.8 Resources**
- 122.9 Excluded Income**
- 122.10 Destitute households**
- 122.11 Income From a Terminated Source**
- 122.12 Income From a New Source**
- 122.13 Application**
- 122.14 Certification Periods**
- 122.15 Recertification**

130 Work Registration

- 130.1 Purpose**
- 130.2 General Policy**
- 130.3 Registration Procedure**
- 130.4 Determination of Exemption Status**
- 130.5 Statutory Exemptions from Work Registration**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 6

130.6	Individual Exemptions
130.7	Categorical Exemptions (Remote Areas)
130.8	Local Department Responsibility
130.9	Food Supplement Program Employment and Training Program (FSPET) Voluntary Participants
130.10	FSPET Requirements
130.11	Loss of Exemption Status
130.12	Failure to Comply
130.13	Good Cause for Failure to Comply with FSPET
130.14	Ending a Disqualification
130.15	Suitable Employment
130.16	Registrant Proof of Unsuitability
130.17	Participation of Strikers
130.18	Voluntary Quit
130.19	Determination of Voluntary Quit
130.20	Exemptions from Voluntary Quit Provisions
130.21	Good Cause for Voluntary Quit
130.22	Verification
130.23	Ending a Voluntary Quit Disqualification
130.24	Able Bodied Adults Without Dependents (ABAWDs)
130.25	ABAWD Policy Examples

200 Resources

200.1	Purpose
200.2	General Information
200.3	Included Resources
	200.31 Countable Resources
	200.32 Jointly Owned Resources
	200.33 Resources of Non-Household Member
200.4	Excluded Resources
	200.41 Excluded Resources
	200.42 Handling Excluded Funds
	200.43 Verification
200.5	Transfer of Resources
	200.51 Acceptable Transfers
	200.52 Establishing a Disqualification
	200.53 Determining the Length of the Disqualification

201 Treatment of Licensed Vehicles

201.1	Purpose
201.2	General Information

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 7

210 Income (General Information)

- 210.1 Purpose**
- 210.2 General Information**
- 210.3 Included Income**
 - 210.31 Earned Income**
 - 210.32 Self-employment Income**

210 Income (General Information)

- 210.33 Unearned Income**
- 210.34 Income of an Ineligible or Disqualified Individual**
- 210.35 Third Party Payments**
- 210.36 Failure to Comply with a Federal, State, or Local Means-Tested Assistance Program**
- 210.4 Verification**

211 Excluded Income

- 211.1 Purpose**
- 211.2 General Information**
- 211.3 Excluded Income**
- 211.4 Verification**

212 Deductions

- 212.1 Purpose**
- 212.2 General Information**
- 212.3 Allowable Deductions for Households with Aged/Disabled Members**
- 212.4 Allowable Deductions for All Other Households**
- 212.5 Standard Deductions**
- 212.6 Earned Income Deduction**
- 212.7 Dependent Care Deduction**
- 212.8 Excess Medical Expense Deduction**
- 212.9 Excess Shelter Deduction**
- 212.10 Homeless Shelter Allowance**
- 212.11 Child Support Deduction**
- 212.12 Action While Awaiting Verification**

213 Determining Monthly Income/Expenses

- 213.1 Purpose**
- 213.2 General Information**
- 213.3 Determining Income**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 8

- 213.4 **Determining Deductions**
 - 213.41 **Billed Expenses**
 - 213.42 **Averaging Expenses**
 - 213.43 **Anticipating Expenses**
 - 213.44 **Conversion of Deductions**
- 213.5 **Calculating the Child Support Deduction**
- 213.6 **Rounding**

214 Utility Allowances

- 214.1 **Eligibility for Utility Allowances**
- 214.2 **Prorating the Allowances When Utility Costs are Shared**
- 214.3 **Telephone Allowance**
- 214.4 **Actual Utility Costs**
- 214.5 **Examples of Utility Allowance Policy**

400 Filing an Application

- 400.1 **Purpose**
- 400.2 **General Policy**
- 400.3 **Filing an Application**
- 400.4 **Initial Contact with Potentially Eligible Households**
 - 400.41 **In-Person Contact**
 - 400.42 **Telephone Contact**
 - 400.43 **Mail Contact**
 - 400.44 **Filing an Electronic Application**
- 400.5 **Applicant Contacts the Wrong Office**
- 400.6 **Providing a Copy of the Application to the Household**
- 400.7 **Withdrawing an Application**

401 Screening for Expedited Service

- 401.1 **Purpose**
- 401.2 **Expedited Service Criteria**
- 401.3 **Identifying Households Requiring Service**
- 401.4 **Screening for Expedited Service**
- 401.5 **Expedited Service Standard**
- 401.6 **Interviews**
- 401.7 **Telephone Interview**
- 401.8 **Special Procedures for Expediting**
- 401.9 **Expedited FSP – Questions and Answers**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 9

402 Interviews

- 402.1 Purpose**
- 402.2 Face to Face Interview**
- 402.3 Home Visits**
- 402.4 Waiver of Face to Face Interview**
- 402.5 Content of the Interview**
- 402.6 Scheduling Interviews and Notice of Missed Interview**
- 402.7 Felony Drug Conviction and Substance Abuse**
 - 402.71 Background**
 - 402.72 Ineligibility due to a Felony Drug Conviction**
 - 402.73 The Role of the Case Manager**
 - 402.74 Compliance**

403 Customer Rights and Responsibilities

- 403.1 Purpose**
- 403.2 Rights under the Privacy Act of 1974**
- 403.3 Confidentiality**
- 403.4 Household Access to Case File**
- 403.5 Right to Apply**
- 403.6 Right to Nondiscrimination**
- 403.7 Discrimination Complaints**
- 403.8 General Complaints**
- 403.9 Supervisory Conference/Fair Hearing**
- 403.10 Responsibility of the Household to Cooperate**
- 403.11 Responsibility to Report Changes**

404 Head of Household/Authorized Representative

- 404.1 Purpose**
- 404.2 Head of Household**
- 404.3 Authorized Representative**
- 404.4 Drug/Alcohol Treatment Centers**
- 404.5 Group Living Arrangement (GLA) Facilities**
- 404.6 Restrictions on Authorized Representatives**
- 404.7 Disqualification of an Authorized Representative**

405 Social Security Numbers

- 405.1 Purpose**
- 405.2 Participation Requirement**
- 405.3 Obtaining Social Security Numbers**
- 405.4 Special Processing for Expedited Services**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 10

- 405.5 Failure to Comply**
- 405.6 Good Cause/Failure to Comply**
- 405.7 Ending Disqualification**
- 405.8 Verification at Application**
- 405.9 Verification at Recertification**

406 Normal Processing Standards

- 406.1 Purpose**
- 406.2 Month of Application**
- 406.3 30-Day Standard**
 - 406.31 Approval**
 - 406.32 Denial**
- 406.4 Delays in Processing**
- 406.5 Determining Fault**
- 406.6 Delays Caused by the Household**
- 406.7 Delays Caused by the Agency**
- 406.8 Delays Beyond 60 Days**
 - 406.81 Agency at Fault, Case Information Complete**
 - 406.82 Agency at Fault, Case Incomplete**
 - 406.83 Household at Fault**
- 406.9 Food Supplement Program Joint Application Processing Procedures between Social Security Administration and Local Departments of Social Services**

408 Verification

- 408.1 Purpose**
- 408.2 Definition**
- 408.3 Mandatory Verification at Application (Normal Processing)**
- 408.4 Mandatory Verification at Application (Expedited Processing)**
- 408.5 Verification of Questionable Information**
- 408.6 Mandatory Verification of an Expense or Verification of a Questionable Expense**
- 408.7 Verification at Recertification**
- 408.8 Verification at Interim Change**
- 408.9 Types of Verifications**
 - 408.91 Documentary Evidence**
 - 408.92 Collateral Contact**
- 408.10 Discrepancies**
- 408.11 Narration**
- 408.12 Public Assistance (PA) and Supplemental Security Income (SSI) Households**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 11

409 Income Eligibility

- 409.1 Purpose**
- 409.2 General Policy**
- 409.3 Calculation of Net Monthly Income**
- 409.4 Determining Benefit Level**
- 409.5 Change of Eligibility Standard**

410 Certification Periods

- 410.1 General Policy**
- 410.2 Length of Certification Periods**
- 410.3 Change in Length of Certification Periods**
 - 410.31 Shortening a Certification Periods**
 - 410.32 Unclear Information**
 - 410.33 Public Assistance Households (TCA, TEMHA, PAA)**
 - 410.34 Lengthening a Certification Period**
- 410.4 Certification Notices to Households**
- 410.5 Application for Recertification**

411 Proration Tables

- 411.1 Purpose**
- 411.2 Determination of Initial Allotment**
- 411.3 Use of the Food Supplement Program Allotment Proration Table**
- 411.4 Multiplication Factors**
- Chart – Food Supplement Program Allotment Proration Table**

412 Prorating Initial Allotment

- 412.1 Purpose**
- 412.2 Definition of Initial Allotment**
- 412.3 Determining Eligibility**
- 412.4 Determining Initial Allotment**
- 412.5 Rounding**
- 412.6 Prorating \$10 Minimum Benefit**
- 412.7 Expedited Service**
- 412.8 Public Assistance (PA) or Supplemental Security Income (SSI) Households (Categorical eligibility)**

420 Reporting Changes

- 420.1 Purpose**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 12

420.2	Household Responsibility to Report Changes
420.21	Simplified Reporting Requirements
420.22	Customer Notification of Simplified Reporting Requirements
420.23	Change Reporting Requirements
420.3	Change Report Form
420.4	Local Department Action on Changes
420.5	Increase in Benefits
420.51	Normal Changes
420.52	Expedited Changes
420.6	Verification-Increase in Benefits
420.7	Decrease in Benefits
420.8	Unclear Information
420.9	Failure to Report a Change
420.10	Mass Changes
420.101	Federal Adjustments to Eligibility Standards, Allotments and Deductions; State Adjustments to Utility Standards
420.102	Mass Changes in Public Assistance
420.103	Mass Changes in Federal Benefits
420.104	Fair Hearings and Continuation of Benefits
420.11	Cash Assistance Households (TCA, RCA, TDAP, PAA)
420.12	Transitional Food Supplement Program Benefits
430	Notice of Adverse Action
430.1	Notice of Adverse Action
430.2	Timely Advance Notice
430.3	Adequate Advance Notice
430.4	Exemptions from Notice Requirements
430.5	Cash Assistance (CA) or Supplemental Security Income (SSI) households (Categorical Eligibility)
430.6	Optional Adequate Notice
440	Recertification
440.1	Purpose
440.2	General Policy
440.3	Notice of Expiration
440.4	Face to Face Interview
440.5	Verification
440.6	Timely Application for Recertification
440	Recertification (continued)
440.7	Action on Timely Re-Applications

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 13

440.8 Delayed Processing

460 Administrative Hearings

- 460.1 Purpose**
- 460.2 Availability of Hearings**
- 460.3 Notification of the Right to Request an Administrative Hearing**
- 460.4 Time Period for Requesting an Administrative Hearing**
- 460.5 Request for an Administrative Hearing**
- 460.6 Agency Responsibilities on Administrative Hearing Requests**
- 460.7 Pre-hearing Conferences**
- 460.8 Notification of Time and Place of Hearing**
- 460.9 Household request for Postponement**
- 460.10 Attendance at Hearing**
- 460.11 Consolidated Hearings**
- 460.12 Denial or Dismissal of a Request for an Administrative Hearing**
- 460.13 Household Rights during the Hearing**
- 460.14 Designation of the Hearings Official**
- 460.15 Power and Duties**
- 460.16 Hearing Decisions**
- 460.17 Timely Action on Hearings**
- 460.18 Implementation of Hearing Decisions**
- 460.19 Continuation of Benefits**

470 Restoration of Benefits

- 470.1 Entitlement**
- 470.2 Errors Discovered by the Local Department**
- 470.3 Disputed Benefits**
- 470.4 Computing the Amount to be Restored**
- 470.5 Lost Benefits to individuals Disqualified for an IPV**
- 470.6 Method of Restoration**
- 470.7 Change in Household Composition**
- 470.8 Replacement of FSP Benefits for Food lost in a Household Misfortune**

480 Intentional Program Violation (IPV)

- 480.1 Purpose**
- 480.2 Definition of Intentional Program Violation (IPV)**
- 480.3 Penalties**
 - 480.31 Additional Penalties- Non-IPV**
- 480.4 Determination of the Commission of an IPV**
- 480.5 Impact of Simplified Reporting on an IPV**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 14

- 480.6 Local Department Responsibility**
- 480.7 Court Referrals and Decisions**
- 480.8 Administrative Hearings versus Court Referrals**
- 480.9 Disqualification Consent Agreement**
- 480.10 Advance Notice for a Disqualification Consent Agreement**
- 480.11 Administrative Disqualification Hearings**
- 480.12 Waiver of an Administrative Disqualification Hearing**
- 480.13 Referral for a Disqualification Hearing**
- 480.14 Scheduling of Hearings**
- 480.15 Pre-Hearing Procedures**
- 480.16 Hearings Procedures**
- 480.17 Hearing the Case**
- 480.18 Failure to Appear (“No-Show”) Hearings**
- 480.19 Hearings Decision**
- 480.20 Application of Disqualification Penalties**
- 480.21 Notification of Disqualification**
- 480.22 Reporting on Disqualified Individuals**

490 Claims Against Households

- 490.1 Purpose**
- 490.2 Establishing Claims Against a Household**
- 490.3 Types of Overpayment Claims**
- 490.4 Establishing a Claim**
- 490.5 Time Frame for Establishing a Claim**
- 490.6 Calculating the Amount of a Claim**
- 490.7 Trafficking Related Claims**
- 490.8 Initiating Collection Action**
- 490.9 Failure to respond to a Demand Letter**
- 490.10 Acceptable Forms of Payment**
- 490.11 Methods of Collecting Payment**
- 490.12 Collection of Multiple Claims**
- 490.13 Failure to Comply with a Payment Schedule and Determining Delinquency**
- 490.14 Administrative Hearings and Claims**
- 490.15 Criteria for terminating Collection Action**
- 490.16 Household Repayment Responsibility**
- 490.17 Claim Compromise**
- 490.18 Re-applicants and Unpaid Claims**

490 Claims Against Households (continued)

- 490.19 Central Collections Unit (CCU)**
- 490.20 Refund of Overpaid Claims**
- 490.21 Claims Discharged Through Bankruptcy**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL
TABLE OF CONTENTS	PAGE 15

490.22 Interstate Claims Collection

500 Glossary

600 Standards

600.1 Standards for Eligibility and Maximum Allotments

600.2 Formula Calculation

600.3 Deduction Standards

600.4 Determining the FSP Allotment

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLD COMPOSITION	Section 100	Page 1

100.1 Purpose

This section defines the eligibility group called the Food Supplement Program (FSP) household. It describes who is and is not part of the group for FSP purposes. It also describes certain persons who are not eligible to receive FSP benefits and persons who have eligibility only in special situations.



100.2 General Food Supplement Program Household Definition

- A. The eligible group for FSP purposes is the FSP household.
- B. A household may be one person or a group of people who live together and customarily purchase and prepare their food together.
- C. It is not necessary that the group of people share other non-household expenses.
- D. There is no requirement that the household have cooking facilities or common storage of food.
- E. No individual may participate as a member of more than one household in any month except when the individual is a resident of a shelter for battered women and children as described in Section 103 (Shelter Residents).
- F. If a person or group leaves a household, they must be permitted to apply and participate as a separate household the month after the move, if otherwise eligible. The remaining household members will receive benefits based on the reduced household size.

100.3 Required Household Combinations

The following people who live together **must** be included in the same FSP household. They cannot choose to be excluded on the basis of being a boarder, roomer or live-in attendant. When they claim separate living units in the same building, they cannot be separate households if they share any common living quarters (e.g. kitchen or bathroom).

- A. **Spouses are either of two individuals who:**
 1. Are married to each other under applicable state law; or
 2. Hold themselves out to the community as husband and wife by representing themselves as such to relatives, friends or neighbors.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLD COMPOSITION	Section 100	Page 2

100.3 Required Household Combinations (continued)

Example 1: Mr. A applied for FSP benefits. When questioned about who lives with him he said Mrs. A also lives in the home. Mr. A said they had separated, but she had no place to live so he let her stay at his house. They do not purchase and prepare food together.

The case manager includes Mrs. A in the household because spouses cannot be separate households.

Example 2: Mr. A applied for the FSP again. Mr. and Mrs. A are now divorced. They still live in the same house and still purchase and prepare food separately.

The case manager certifies Mr. A as a one-person household.

Example 3: Mr. B applied for FSP benefits for himself. When asked if other people live in the home, he stated that his girlfriend, Ms. C, and her son live with him. He also stated that Ms. C and her son purchase and prepare food separately from him.

(Note: Mr. and Ms. C are not “holding themselves out to the community as husband and wife”)

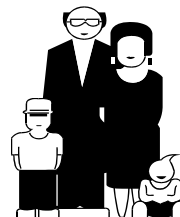
The case manager certifies Mr. B as a one-person household after getting verification from Ms. C that they do not purchase and prepare food together.

Example 4: Mrs. G applied for FSP benefits for herself and two children. She stated that her husband was not in the home only because he is in the Army and is stationed out of the U.S.

The case manager certifies Mrs. G and her children for FSP benefits. Mr. G is not in the FSP household. (The income he sends to his family is counted as unearned income.)

B. Parents and Children

1. Children, 21 years old and younger, living with their natural, adoptive parents or stepparents cannot be separate households from their parents.



DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLD COMPOSITION	Section 100	Page 3

100.3 Required Household Combinations (continued)

Example 1: Mrs. D applied for FSP benefits for herself, her husband and child. Mrs. D is 20 years old. They live with Mrs. D's parents. The families purchase and prepare their food separately.

The case manager cannot certify Mrs. D and her family separately from her parents so she asks for verification of the parent's circumstances.

Example 2: Mr. and Mrs. D and their son moved in with Mr. D's parents. They purchase and prepare their food separately from the parents. Mr. D is 23 years old.

The case manager certifies this household separately from the parents.

Example 3: Mr. F is a 20-year old SSI recipient who lives with his parents. He is on a special diet. The parents want to apply for FSP benefits for their son only since they purchase and prepare their food separately from him.

The case manager explained that because of Mr. F's age they would all have to be included as one household and requested information about all household members.

Example 4: Ms. K applied for FSP benefits for herself and three children. She stated that two of the children live with her all the time. Her oldest son is in job corps. He is only home on some weekends.

The case manager does not include the child who is not in the home except for some weekends.

Note: This would also apply to children who live away from home because of school.

2. Adult children (22 years old or older) who live with their parents can be separate households if they purchase and prepare their food separately.

Example: Mr. H applied for FSP benefits for himself only. He is 25 years old. When questioned about household composition he stated that he lives with his mother and purchase and prepares his food with her.

The case manager explains to Mr. H that he has to provide information about his mother's circumstances because they cannot be separate households.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLD COMPOSITION	Section 100	Page 4

100.3 Required Household Combinations (continued)

3. Joint custody arrangements

- (a) When the custody arrangement between parents is uneven, the child would be included in the household that provides the child with the majority of his or her meals.
- (b) When there is an equal custody arrangement and the children eat 50 percent of their meals with each parent, the case manager must decide which household should include the child. If both parents apply and cannot agree on which household will include the child, the case manager will resolve the issue by including the child in the household that applied first.

Note: The case manager must insure that the child is included in only one household.

C. Children Under 18 Years of Age

Children (other than foster children – See section 100.5) age 17 or younger who live with and are under the parental control of someone other than a parent cannot be a separate household.

A child is under “parental control” if he or she is financially or otherwise dependent on a member of the household.

Example: Ms. G is 17 years old. She lives with her aunt. Ms. G works and purchases and prepares her own meals. When questioned about household composition she stated that her aunt does not exercise parental control over her.

The case manager certifies Ms. G as a one-person household.

100.4 Boarders

- A. Residents of a commercial boarding house, regardless of the number of residents, are not eligible to participate in the Food Supplement Program. A commercial boarding house is an establishment that offers meals and lodging for compensation with the intent of making a profit. Do not use the number of boarders residing in a boarding house to determine if a boarding house is a commercial enterprise. Institutions listed in 100.63 of this manual are not considered boarding houses.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLD COMPOSITION	Section 100	Page 5

100.4 Boarders (continued)

- B. All other individuals or groups of individuals who pay a reasonable amount for meals and lodging must be considered boarders and are not eligible to participate independently of the household providing the board.

These individuals or groups of individuals may participate, along with a spouse or children living with them, as members of the household providing the boarder services, only at the request of the household providing the boarder services.

- C. An individual paying less than a reasonable amount cannot be considered as a boarder, but must be included as a member of the household providing the board.
- D. Persons who must be included in the household (see Section 100.3) cannot be boarders regardless of the amount of money they pay.
- E. Reasonable monthly amount is defined as follows:
1. If the boarder receives more than two meals a day, the payment must equal or exceed the maximum monthly Food Supplement Program (FSP) allotment for the appropriate household size of the boarder household.
 2. If the boarder receives two meals or less a day, the payment must equal or exceed two-thirds of the maximum monthly FSP allotment for the appropriate household size of the boarder household.

This also applies in cases where, over a period of a week or month, the household receives two or less meals per day when the total meals are averaged over that period of time. For example, an individual may be part of a board arrangement that provides three meals per day on Monday through Thursday each week, but not for Friday, Saturday or Sunday. When averaged over the seven days, the number of meals is less than 2, or 1.7 per day.

100.5 Individuals in Foster Care/Kinship Care Subsidized Guardianship Program

Individuals placed in the home of relatives or other individuals or families by a foster care program are considered to be boarders. They cannot get FSP benefits independently of the household providing the foster care services. Do not include the foster care income unless the foster care child is in the FS household.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLD COMPOSITION	Section 100	Page 6

100.6 Ineligible individuals and Households

The following people or groups of people are not eligible to receive FSP benefits. Therefore, they are never part of the FSP household.

100.61 Ineligible Immigrants

Individuals who do not meet citizenship or immigrant requirements as described in Section 120.

100.62 Disqualified Individuals

- A. Individuals disqualified for intentional program violations as described in Section 480.
- B. Individuals disqualified for refusal or failure to provide a Social Security Number.
- C. Individuals convicted of trading FSP benefits for illegal drugs.
- D. Individuals convicted of trading FSP benefits for firearms, ammunition or explosives.
- E. Individuals convicted of trafficking FSP benefits of \$500 or more.
- F. Individuals convicted in a Federal or State court or Administrative Disqualification Hearing of having made a fraudulent statement or misrepresentation about place of residence or identity in order to receive multiple benefits simultaneously.
- G. Individuals disqualified for failure to comply with work requirements.
- H. Individuals convicted of a drug felony based on behavior after August 22, 1996, except for individuals as described in 100.7I.
- I. A fleeing felon or a parole violator.

100.63 Residents of Institutions

- A. Except for the groups listed in section 100.7 (C – G), residents of institutions are not eligible to receive FSP benefits.
- B. A person is considered a resident of an institution when that institution provides them with a majority (50% or more) of their meals as part of its normal services.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLD COMPOSITION	Section 100	Page 7

100.6 Ineligible individuals and Households (continued)

NOTE: See Section 108 (Households with Non-Members) for the treatment of the income and resources of a disqualified or ineligible household member.

100.7 Special Eligibility Situations

The following persons may make up or be part of the FSP household provided they meet the special requirements described below.

A. Strikers

1. Households with a member subject to work registration who is on strike are not eligible for FSP benefits unless they were eligible for benefits on the day prior to the strike (See Section 101).
2. Persons who are exempt from work registration are not defined as strikers. Therefore, this policy does not apply to them. In addition, it does not apply to persons locked out from their jobs.

B. Students

Students must meet one of the eligibility requirements listed in Section 102 (Students).

C. Residents of public or private non-profit homeless shelters

1. If otherwise eligible, residents of homeless shelters may receive FSP benefits, even though the shelter may provide meals.
2. A homeless person is someone who lacks a fixed and regular nighttime residence or a person whose primary nighttime residence is a:
 - (a) Supervised shelter that provides temporary accommodations, such as a welfare hotel or congregate shelter;
 - (b) Halfway house or similar institution that provides temporary accommodations for people intended to be institutionalized;
 - (c) Temporary accommodation in the residence of another person for no more than 90 days; or

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLD COMPOSITION	Section 100	Page 8

100.7 Special Eligibility Situations (continued)

- (d) Place not designed for, or ordinarily used as regular sleeping accommodations such as a hallway, a bus station, a lobby, a car, an abandoned building or any similar place.

Example: Mr. A is applying for the FSP. He was recently released from jail and is temporarily staying with his sister until he can find a place to live. He has lived there for only 10 days. Based on the above definition, he is homeless.

Example: Mr. B is applying for the FSP. He says he is living in a homeless shelter and they provide all his meals. He has no income and does not pay anything to stay at the shelter. He is eligible for FSP benefits.

D. Residents of federally subsidized housing for the elderly

E. Narcotics addicts or alcoholics

For the purpose of participation in a drug or alcohol treatment rehabilitation program, the individual must reside at a facility or treatment center. Children living with the individual in the facility are also eligible. The treatment center must be a non-profit (federally exempt) facility. It must also be licensed as providing treatment by a health, mental health, or alcohol abuse agency of the State of Maryland, or be licensed by the Food and Nutrition Service (FNS) as a retailer.

F. Disabled or blind individuals

1. Disabled or blind individuals who are residents of a group living arrangement (GLA) and who receive any of the following benefits:
 - (a) Supplemental Security Income (SSI)
 - (b) Retirement Survivor's Disability Insurance (RSDI)
 - (c) Disability retirement benefits from a governmental agency because of a disability considered permanent under the Social Security Act
 - (d) An annuity payment under the Railroad Retirement Act and determined eligible to receive Medicare by the railroad Retirement Board
 - (e) Presumptive eligibility payments pending receipt of SSI
 - (f) Federal disability-related Medical Assistance

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLD COMPOSITION	Section 100	Page 9

100.7 Special Eligibility Situations (continued)

2. This also applies to an individual who is blind or disabled who:
 - (a) Is a veteran with a disability rated or paid as total by the Veteran's Administration (VA); or
 - (b) Is a veteran considered by the VA to be in need of regular aid and attendance or permanently housebound; or
 - (c) Is a surviving spouse or surviving child of a veteran who the VA has determined to be in need of aid and attendance, is permanently incapable of self-support; or
 - (d) Is a surviving spouse or 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.
3. The GLA facility must be a non-profit (federally tax-exempt) facility certified by a health, mental health or social service agency of the State of Maryland (See Section 109.2, Other Special Households, for more detailed information on GLAs.)

G. Women or women and children residing in shelters for battered women and children

See Section 103 (Shelter Residents) for more detailed information

H. Elderly and disabled persons living with others who cannot purchase and prepare their own meals because they suffer from a permanent physical disability

See Section 109.4 (Other Special Households) for more detailed information

I. Individuals convicted of a drug-related felony conviction for a crime committed after August 22, 1996

1. Applicants with a drug-related felony conviction for a crime committed after August 22, 1996 are eligible for FSP benefits if they:
 - (a) Comply with substance abuse testing and FIP Substance Abuse Treatment and Services program requirements, and

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLD COMPOSITION	Section 100	Page 10

100.7 Special Eligibility Situations (continued)

- (b) Meet all other program financial and technical eligibility factors at application.

2. Recipients

- (a) Recipients who are convicted of manufacture or distribution of a controlled or dangerous substance or possession with intent to distribute a controlled or dangerous substance on or after July 1, 2000 while receiving FSP benefits.
 - (i) Lose eligibility for the benefits for one year from the date of conviction, and
 - (ii) Are subject to substance abuse testing and treatment requirements after resuming eligibility.
 - (b) After the period of ineligibility the individual is subject to drug testing and FIP Substance Abuse Treatment and Services requirements for a period of two years starting from the later of:
 - (i) The date the individual is released from incarceration,
 - (ii) The date the individual completes any term of probation, or
 - (iii) The date the individual completes any term of parole or mandatory supervision.
3. Individuals who do not comply with testing or treatment are removed from the FSP assistance unit.
- Note: There is no conciliation procedure for FSP applicants or recipients who are convicted drug felons.
4. All resources and income of the excluded individual are counted as accessible to the FSP household.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLD COMPOSITION	Section 100	Page 11

100.8 Non-Household Members

Do not consider the following individuals household members when determining the household's eligibility for FSP benefits. Non-household members, who are otherwise eligible, may participate as separate households. This does not apply to persons who must be included in the same FSP household.

A. Roomers

Individuals who pay the household for lodging, but not meals, and do not eat with the household.

B. Live-in Attendants

Individuals who reside with a household for the purpose of providing medical, housekeeping, child care or other similar personal services.

100.9 Verification

- A. Verify, if questionable, any factors affecting the composition of a household, such as household size and boarder status.
- B. Case managers must question all claims of separateness.
- C. The burden of proof for establishing separate household status is on the household.

100.10 Designating the Head of Household

- A. The members of a household applying for benefits may designate the head of household.
- B. The local department:
 1. Will make the head of household designation if the household does not.
 2. Cannot impose special requirements on the head of household, such as requiring that the head of household appear for appointments at the local department.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
STRIKERS	Section 101	Page 1

101.1 Purpose

This section defines a striker for program purposes. It also provides eligibility requirements for households containing a striking member or members.

101.2 Definition of a Striker

- A. A striker is anyone involved in a strike or concerted stoppage of work by employees (including a stoppage that results because a collective bargaining agreement has expired) or any concerted slowdown or other concerted interruption of operations by employees.
- B. Persons on strike are not considered to have voluntarily quit their jobs.
- C. There are several situations in which people may appear to be strikers, but for FSP eligibility are not considered strikers. These include:
 - 1. Persons exempt from work registration requirements the day before the strike, for any reason other than employment; or
 - 2. Employees who are locked out of their work place because their work has been closed by an employer due to a strike; or
 - 3. Employees unable to work as a result of striking employees. For example, striking newspaper pressmen prevent the printing of newspapers and consequently prevent truck drivers from working because there are no papers to deliver; or
 - 4. Employees who are not part of the bargaining unit, refusing to work because of undesirable conditions at the workplace caused by the strike. For example, employees who do not want to cross a picket line for fear of personal injury; or
 - 5. Employees who individually cease work, but are not ceasing work because the individual is participating in a strike.
- D. The distinction between strikers and non-strikers is that strikers are involved in a concerted action by employees to temporarily stop work, while non-strikers are employees taking individual action or being forced as a result of the strike to stop work.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
STRIKERS	Section 101	Page 2

101.3 Determining Striker Status and Eligibility

- A. Households with striking members are ineligible to participate in the Food Supplement Program unless the household was eligible for benefits the day before the strike and they are otherwise eligible to participate in the program at the time of application.
- B. If eligible, the household cannot receive an increased allotment as the result of a decrease in income of the striking member.
- C. Take the following steps to determine the eligibility of households when a member has temporarily stopped working:
 1. Determine if the member who stopped working is a striker. If not, treat the household without consideration of the special striker policies. (However, assign a short certification period, since the household's circumstances are likely to change.)
 2. Determine if the striking member was exempt from work registration on the day prior to the strike. If so, take into account any loss of income to determine eligibility and benefits. In effect, treat the striking member as a non-striker. Count as unearned income any strike benefits the striking member receives.
 3. Determine if the household was eligible the day prior to the strike if the striking member is not exempt from work registration. Use that day as the date of application and assume the strike did not occur. Take into account the income the striking member would have received to determine eligibility and benefits. Count as unearned income any strike benefits the striking member receives.
- D. Determine eligibility by comparing the striking member's income on the day prior to the strike to the striker's current income. Add the higher of the two amounts to the current income of the other household members. Apply the earned income deduction when appropriate.
- E. If the household contains a striking member who is not exempt from work registration and the household was not eligible on the day prior to the strike, the household is ineligible as long as the strike lasts.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
STRIKERS	Section 101	Page 3

101.3 Determining Striker Status and Eligibility (continued)

EXAMPLE: Mary Jones applied for FSP benefits for herself, her husband, John, and their two children (age 12 and 13 years) on December 11. Mary was laid off her job and John's hours were reduced to 20 hours per week. The employees at John's place of employment went on strike December 9. The case manager would look at the household situation as it was on December 8 to determine eligibility. (Date of Application becomes the day before the strike (December 8, as described in Section 101.3 C 3 below).

EXAMPLE: A household containing a striker applies on the day the strike begins. The household would have met the income test on the day prior to the strike. However, the household has **resources of \$2,100**. The household is **ineligible to participate** for the duration of the strike, **even if the resources drop below** the resource limit at some time **during the strike**.

101.4 Verification and Reporting

- A. Verify household income on the day prior to the strike if the household believes its income would qualify it for FSP benefits.
- B. A household with a member on strike, but eligible for the program, has the same responsibility to report changes as any other household as described in section 420 (reporting Changes). Take prompt action on reported changes to determine if the change affects the striking household's eligibility or benefits. Process all changes that result in a decrease, increase or termination of FSP benefits

101.5 Work Registration

Eligible strikers are subject to work registration requirements as described in section 130 (Work Registration).

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
STUDENTS	Section 102	Page 1

102.1 Purpose

This section describes special policies that apply to households with students.

102.2 Student Status

- A. A person is a student if the individual is between 18 and 50 years old and enrolled at least half time in an institution of higher education.
- B. An institution of higher education is limited to those institutions that normally require a high school diploma or equivalency certificate for a student to enroll. This definition also allows students of vocational and technical schools to participate in the program while they are obtaining practical skills.

NOTE: Some institutions which normally require a high school diploma or its equivalent waive this requirement for certain students that have not graduated from high school. Students attending school under these special institutions of higher education are students for the purposes of this policy.

- C. This section does not apply to the following:

- 1. Persons age 17 or under;
- 2. Persons age 50 or over;
- 3. Persons physically or mentally unfit;

NOTE: Physically or mentally unfit means any condition for which the person receives temporary or permanent disability payments issued by government or private sources or a condition verified in a statement from a physician or certified psychologist.

- 4. Persons attending high school;
- 5. Persons participating in on-the-job training programs (a person is considered to be participating in an on-the-job training program only during the period of time he or she is being trained by the employer);
- 6. Persons not attending school at least half time (half-time is determined by the institution);
- 7. Persons enrolled full-time in schools that are not institutions of higher education.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
STUDENTS	Section 102	Page 2

102.3 Eligibility Requirements

The student must meet one of the following requirements to be eligible. If the student does not meet one of the requirements, the individual is a non-household member for program purposes. (See section 102.6 for treatment of income and resources.) The student must:

- A. Be employed for a minimum of 20 hours per week (no averaging) and paid for the employment or, if self-employed, be employed for a minimum of 20 hours per week and receiving weekly earnings at least equal to the federal minimum wage multiplied by 20 hours; or
- B. Participate in a State or federally financed work-study program during the regular school year. To qualify, a student must be approved for a work-study program at the time of application for the Food Supplement Program (FSP). The exemption begins with the month the school term begins or the month work-study is approved, whichever is later. The exemption continues until the end of the month in which the school term ends; or
- C. Be a recipient of Temporary Cash Assistance; or
- D. Be responsible for the care of a child when:
 - 1. The child is age 5 or under;
 - 2. The child is age of 6 through 11 and adequate child care is not available to enable the student to attend class and work 20 hours per week or participate in a State or federally financed work study program. (A statement from the customer will be sufficient to verify that adequate child care is not available.);
 - 3. The child is age 11 or younger and the parent is a single parent enrolled in an institution of higher education on a full-time basis. (This provision applies in those situations where only one natural, adoptive or stepparent, regardless of marital status, is in the same household as the child.); or
- E. Be assigned or placed in an institution of higher education through a program under the Job Training Partnership Act (JTPA), or Work Opportunities, or a Program under Section 236 of the Trade Act of 1974.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
STUDENTS	Section 102	Page 3

102.4 Definition of Work-Study

A. To qualify as an eligible student because of work-study, the following conditions apply:

1. The student must be participating in a state or federally finance work-study program during the regular school year.
2. The work-study must be approved for the school term.
3. The student must anticipate actually working the work-study job during the school term.
4. The exemption begins with the month in which the school term begins or the month the work-study is approved, whichever is later.
5. Once begun, the exemption continues until the end of the month in which the school term ends or it becomes known that the student has refused an assignment.

Note: When the local department becomes aware of a student who has been given an exemption because of anticipated work-study and the work-study did not materialize, a claim is not required unless the student deliberately gave wrong or misleading information.

6. The exemption does not continue between terms when there is a break of a full month or longer unless the student is participating in work-study during the break.
- B. This exemption does not apply to students who are working in hospitals or student-teachers who are teaching as part of their coursework for which they earn credit.
- C. Most work-study programs are funded through Title IV, Part C of the Higher Education Act of 1965, as amended. As long as there is some federal funding involved, these programs meet the definition of federally financed work-study programs. (See Section 211, Excluded Income, for treatment of Title IV educational income.)
- D. Do not consider students who are paid to attend institutions of higher education with federal JTPA or Work Opportunities funds as work-study students. The students in these programs receive compensation based on the number of hours of class attendance and not for any work performed. Therefore, they are not entitled to the work-study exemption.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
STUDENTS	Section 102	Page 4

102.5 Work Registration

An eligible student is exempt from work registration.

102.6 Enrollment Status

Enrollment status begins the first day of the school term and continues through normal periods of class attendance, vacation, and recess unless the person graduates, is expelled or suspended, drops out or does not plan to register for the next normal school term (excluding summer school).

102.7 Income/Resources

Do not consider the income and resources of an ineligible student when determining eligibility and the benefit level for the remainder of the household. Consider ineligible students as non-household members.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESIDENTS OF SHELTERS FOR BATTERED WOMEN AND CHILDREN	Section 103	Page 1

103.1 Purpose

The purpose of this section is to describe the special policies that apply to residents of shelters for battered women and their children.

103.2 Definition of Shelter

Shelter for battered women and children means a public or private non-profit residential facility that serves battered women and their children. If the facility serves other individuals, a portion of the facility must be set aside on a long-term basis to serve only battered women and children.

103.3 Residency and Separate Household Status

- A. A special exception to the rule that no individual may participate in more than one project area or as a member of more than one household in any one month is made for residents of shelters as defined above.
- B. Since many shelter residents have recently left a household containing the person who has abused them, assume that these persons do not have access to their portion of any FSP allotment.
- C. If the currently certified household contains the person who subjected them to abuse, the shelter resident may apply for and, if otherwise eligible, be certified as a separate household in the same month and/or in the same project area.
- D. Consider persons temporarily residing in shelters for battered women and children as individual household units when applying for and participating in the Food Supplement Program.

103.4 Income and Resources

- A. Certify shelter residents who apply as a separate household solely on the basis of their income and resources and the expenses for which they are responsible.
- B. Do not consider the income, resources and expenses of the former household.
- C. Consider as shelter expenses any room payments made to the shelter.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESIDENTS OF SHELTERS FOR BATTERED WOMEN AND CHILDREN	Section 103	Page 2

103.4 Income and Resources (continued)

D. Consider resources as inaccessible if they are:

1. Jointly owned by the shelter resident and any member of the former household if that household contains the person that subjected the resident to abuse, **and**
2. Access to the value of the resources is dependent upon the agreement if a joint owner who still resides in the former household

NOTE: The above policy on income and resources applies only to residents of shelters as defined in this section.

103.5 Expedited Service

- A. Residents of shelters who are entitled to expedited service must have access to their FSP benefits no later than the seventh calendar day after the application is filed.
- B. Prorate FSP benefits for the initial month as for any other household (See Section 412).

103.6 Action on Changes to Former Households

- A. Case managers must take prompt action to reduce or terminate FSP benefits to former households to reflect the loss of any household members.
- B. Case managers must ask any shelter residents applying for FSP benefits if they are currently part of other participating households.
- C. If the shelter resident is currently participating in the same project area, the case manager must take the following steps:
 1. Reduce FSP benefits by changing the household size to reflect the loss of any member. Give timely and adequate notice of the reduction to the former household.
 2. If appropriate, terminate FSP benefits after following procedures for clarifying unclear information in Section 420.8.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESIDENTS OF SHELTERS FOR BATTERED WOMEN AND CHILDREN	Section 103	Page 3

103.6 Action on Changes to Former Households (continued)

- D. If the shelter resident is a member of a currently certified household in another project area, the case manager must inform the other project area of the change in household composition so that prompt action can be taken. This can be done by either telephone or in writing.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 1

104.1 Purpose

This section describes the special policies that apply to households that have self-employment income.



104.2 General Information

All the policies and procedures described in the general sections of this manual apply to households with self-employed members. However, the following four specific areas require special consideration:

- A. Work Registration
- B. Resources
- C. Income
- D. Certification Periods



104.3 Work Registration

Receiving income from self-employment does not automatically exempt a household member from the work registration requirement. In order to be exempt, a self-employed member must be:

- A. Working a minimum of thirty hours weekly, or
- B. Receiving earnings which, on a weekly basis, are equal to the Federal minimum wage multiplied by thirty hours (see Section 130)

EXAMPLE 1: A cash crop farmer who performs actual farming activity 8 months out of the year is exempt from work registration during the other 4 months if his annual income from farming equals the Federal minimum wage multiplied by 30 hours when considered on a weekly basis. In other words, annual income divided by 52 must be at least equal to 30 times the minimum wage.

EXAMPLE 2: A franchise operator hires other people to perform the actual day-to-day operation of the business. He does not actually work at least 30 hours weekly on the business. He does not earn enough annually to equal weekly earnings of 30 times the minimum wage. This member must register for work unless he is otherwise exempt.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 2

104.3 Work Registration (continued)

EXAMPLE 3: A tourist shop owner operates the business at least 30 hours per week during the tourist season. The shop is closed during the off season and the owner does not work at the business during that time. The owner is exempt from work registration during the tourist season. However, she must be registered for work during the off season unless:

- The income earned during the tourist season is intended to provide annual support and it equals an annual weekly amount of 30 times the Federal minimum wage; or
- She qualifies for some other work registration exemption

104.4 Resources

Exempt as a resource any monies that have been prorated as income. For example, a cash crop farmer receives his income when he sells his crop. This income is prorated over the year and therefore cannot be counted as a resource.

104.5 Special Income Considerations

Capital Gains

Count the full amount of proceeds from the sale of capital goods or equipment as self-employment income, even if only 50% of the proceeds from the sale is taxed for Federal income tax purposes. Add the proceeds from the sale of capital goods or equipment to any other self-employment income and compute the total self-employment income as described in Section 104.6.

104.6 Income Computation



Consider the following special factors when determining the gross monthly income for self-employed households:

A. Annualizing

1. Prorate over a 12-month period self-employment income that represents a household's annual support, even if the income is received in only a short period of time. For example, the self-employment income of a crop farmer must be prorated over a 12-month period, if the income is intended to support the farmer on an annual basis.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 3

104.6 Income Computation (continued)

2. Annualize self-employment income even if the household receives income from other sources in addition to the self-employment.

B. Averaging

1. Average over a 12-month period self-employment income received on a regular basis (weekly, monthly, etc) that does not fluctuate greatly in amount but which represents a household's annual support. For example, a dairy farmer whose annual income is derived from his business receives income from the sale of milk on a regular basis. Convert this income to a yearly amount and average over a 12-month period.
2. Average self-employment income that is intended to meet the household's needs for only part of the year, over the period of time the income is intended to cover. For example, self-employed vendors who work at this business only in the summer and supplement their income from other sources during the balance of the year must have their self-employment income averaged over the summer months rather than a 12-month period.
3. Average self-employment income over the period of time a business has operated, if it has been in business for less than a year. Project this monthly amount for the coming year.

C. Anticipating

Anticipate rather than average self-employment income under the following circumstances:

1. The average amount does not accurately reflect the household's actual monthly circumstances because there has been a substantial increase or decrease in business; or
2. The nature of the business is such that the receipt and amount of income varies greatly; or
3. A business has been in operation such a short time that there is not enough information to average earnings and project them over a yearly period.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 4

104.7 Self Employment Earned Income Deduction

The self-employment earned income deduction is 30% of the gross receipts. This 30% allowance is considered the cost to produce. The gross income test is applied after the 30% deduction. The 20% earned income deduction is then applied to the remainder.

Example: Ms. B provides child care in her home. She provided a tax Form 1040 Schedule C (Part 1 line 1 shows annual income of \$10,000). The allowable deduction for cost-to-produce is \$3,000. The countable annual income is \$7,000. Ms. B also receives a 20% earned income deduction of \$1,400, for net income from self-employment of \$5,600.

NOTE: The 30% cost-to-produce deduction does not apply to the self-employment income of farmers, fishermen and watermen who verify a cost-to-produce in excess of the 30% deduction. (See section 104.8)

If the cost of producing self-employment farm income exceeds the gross farm income, the losses are offset against other countable income. To qualify for this offset, the person must receive or anticipate receiving annual gross proceeds of \$1,000 or more from the farming enterprise.

104.8 Self-employed Farmer

104.81 DEFINITION OF a SELF-EMPLOYED FARMER

Note: Self-employed farmers are given special income treatment because they incur costs in producing their income that must be deducted in order to equate their income with income from sources in which there are no production costs.



- A. The case manager must first determine if the person is a self-employed farmer.
- B. To be considered a self-employed farmer the person must:
 1. Be engaged in farming activity for the purpose of producing income, and
 2. Have direct involvement in farming activity.

For example, a person who rents his land to another individual to raise a crop is not a self-employed farmer if he is not directly involved in the growing or harvesting of the crop.

- C. The case manager must use his or her best judgment on a case-by-case basis to determine if a person is a self-employed farmer or a farm employee.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 5

104.8 Self-employed Farmer

104.81 DEFINITION OF a SELF-EMPLOYED FARMER (continued)

D. Sole Proprietorship.

1. Farm self-employment income generally consists of earnings derived by an individual as the sole proprietor of his farm.
2. A sole proprietorship is an unincorporated business that has no existence apart from the owner.
3. The business liabilities are the personal liabilities of the single owner.

E. Partnership.

1. There may also be some self-employment income situations that involve a partnership.
2. There should be an oral or written agreement. Generally, a partner's share of income, gain, loss, deductions or credits is determined by the partnership agreement. In any matter not addressed by a written agreement, the provisions of local law are considered to be part of the agreement.

F. Independent Contractors.

1. Other self-employment situations for FSP purposes include independent contractors who pay the farm expenses and persons who do not have a direct employer/employee relationship.
2. In determining if the person is an independent contractor, the case manager should determine if a household operates a separate (perhaps more specialized) business than the owner of the land or proprietor of the main business.
3. In determining if there is an employer and employee relationship, the case manager may consider such things as whether the person has an established work schedule and specified wages, whether the employer withholds social security and income taxes from earnings, etc.

A sharecropper who pays the costs of doing business and receives a portion of the net income in exchange for his labor is a self-employed farmer. A sharecropper who does not pay the costs of doing business is not a self-employed farmer.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 6

104.8 Self-employed Farmer

104.81 DEFINITION OF a SELF-EMPLOYED FARMER (continued)

G. Corporations.

1. If the household has shares in an **S Corporation**, the S Corporation income reported on the household's Form 1040 must be counted as income and annualized over a 12-month period.
2. An owner or employee of **another corporation** is not a self-employed person. If the person receives a salary from the corporation, he is considered an employee of the corporation. Shareholders who only receive dividends are entitled to neither the costs of producing self-employment income nor the earned income deduction. The dividends are counted as income. Corporations are separate legal entities, and the corporation is responsible for its debts and obligations.

104.82 BASIC STANDARDS

- A. Self-employed farmers are subject to the same basic processing, eligibility and allotment standards as other households. However, their monthly net income is computed differently, changes in their farm income are treated differently, and there is a special resource provision.
- B. Non self-employed farmers are treated the same as other households that do not have farm income, e.g., wages of a farm laborer are counted as earned income, income from renting a farm is treated like other rental income.
- C. Some farm workers are given crops at harvest time in addition to salary. If the farm worker plans to sell the crop during the certification period in which it is received, the money received from the sale is counted as income. If the farm worker does not plan to sell the crop during the certification period in which it is received, the value of the crop is counted as a resource beginning the month in which it is received. If the household later sells a crop that was counted as a resource, the payments received are not counted as income.
- D. There is a special expedited service provision for migrants and seasonal farm worker households. (See Section 122)
- E. Gross self-employment income that has been used in the income calculation is excluded from resources during the period of time that the income is counted. A farmer may commingle the farm income in a bank account with other money and still retain the exclusion for the period of time the money was prorated as income.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 7

104.82 BASIC STANDARDS (continued)

Example: A household earned \$10,000 gross self-employment income last year and expects to earn the same amount this year. Six thousand dollars were excluded from income to cover the costs of doing business. Four thousand dollars were annualized and prorated as income for calendar year 2001. The household has \$11,000 in a bank account. Only \$1,000 is counted as a resource during 2001 unless there are other changes.

<u>Prorated Income Not a Resource</u>	
Gross Farm Income in 2000	\$10,000
Allowable costs	<u>-6,000</u>
Prorated for 2001	\$4,000 (no changes were anticipated)
Bank Account	\$11,000
Gross Farm Income	<u>- 10,000</u>
Count as a Resource	\$1,000

- F. The treatment of resources of a corporation varies based on the type of corporation.
1. Profits of an **S Corporation** are not considered a resource essential to the employment of a household member even if they are used to purchase more stock in the corporation.
 2. Resources of **other corporations** are not counted as the resources of an individual's household. Bank accounts that a corporation owns must be in the corporation's name.
 3. **Ownership of Stock in a Corporation.**
 - (a) If a person owns stock in a corporation, the stock is counted as a resource unless it is essential to his or her employment.
 - (b) If a person is employed by and owns stock in a corporation, the case manager must determine if the stock is essential to the person's employment.
 - (c) To the extent that an employee of a corporation must hold stock in the corporation as a condition of employment, the stock is essential to the employment of that person and not counted as a resource.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 8

104.82 BASIC STANDARDS (continued)

(d) If ownership of the stock is not essential, the stock is counted as a resource.

Example: if a farmer has incorporated his farm, he is the sole worker and all of the corporation's assets are related to the farming operation, the farmer's stock in the corporation is essential to his employment and excluded from being counted as a resource.

(e) Sometimes the value of shares in a corporation with only one shareholder or just a few shareholders is not readily available. In such instances, the case manager may subtract corporate liabilities from assets and prorate the difference among the various shareholders based on the percentage of shares held.

G. Loans.

1. All loans, except deferred educational loans, are excluded as income. They are not counted as income in the month received, they are not prorated as income over a 12-month period, and they are not prorated as income over the certification period.
2. Loans, other than deferred repayment educational loans, are counted as a resource in the month received even if the household anticipates spending some or all of it in the same month.
3. For an ongoing (certified) household, excess resources any time during the month makes a non-public assistance household ineligible. Any amount remaining after the month of receipt continues to be counted as a resource until the money is spent. This includes business loans as well as personal loans.
4. Sometimes a farmer may obtain a loan, but funds can only be released by signature of both the lender and the farmer. In such cases where the farmer has a "line-of-credit," only the portion that is actually borrowed and held in an account is counted as a resource.

H. Payment-In-Kind (PIK) payments.

Some farm households receive Payment-In-Kind (PIK) payments. Normally these are annualized as income. However, if the farmer indicates that he intends to retain PIK payments for longer than a year, the payments **104.82** should not be annualized as income but counted as a resource to the extent that they will be kept longer than a year.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 9

104.82 BASIC STANDARDS (continued)

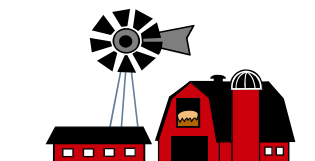
I. Bankruptcy.

Some farmers declare bankruptcy. If so, the case manager must determine what resources are accessible to the household and, if they are accessible, whether the resources can be excluded under another provision such as being essential to self-employment if the person is still self-employed.

J. Nonliquid assets against which a lien has been placed as a result of taking out a business loan are excluded if the household is prohibited by the security or lien agreement from selling the asset(s).

K. Sealed grain is not counted as a resource until it has been in storage more than 12 months. Grain in storage more than a year is considered a resource.

104.83 Computing Income and Farm Expenses



A. Annualized With Certain Exceptions:

1. Normally self-employment income and expenses are averaged over a 12-month period. Regardless of whether the household receives the income monthly or less often than monthly, annualizing is done when the self-employment represents a household's annual income. Self-employment is annualized even if the household receives income from other sources. For example, a man is a self-employed grain farmer. His wife is a part-time nurse. In this case the self-employment income would be annualized.
2. Normally self-employment income and expenses from the past year are counted for the current year. However, anticipated changes, such as a change in the type of farm operation or the amount of land farmed, crop failure, a substantial change in market prices, etc. which would affect the net income must be taken into account. In anticipating income, it may be helpful to review a cash flow plan prepared by a lender such as FmHA, a bank, or a Federal loan bank. These plans anticipate income and expenses. The income and expenses must be prorated evenly over a 12-month period to determine eligibility.

For example, if last year the farmer earned \$10,000 and had \$5,000 in expenses. This year he inherited additional land and he expects to gross \$22,000 and have \$10,000 in allowable FSP expenses. The case manager must annualize the anticipated income of \$22,000 and the anticipated expenses of \$10,000.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 10

104.83 Computing Income and Farm Expenses

B. Capital Gains.

1. For FSP purposes, proceeds from the sale of capital goods or equipment are calculated in the same manner as a capital gain for Federal income tax purposes.
2. For Federal income tax purposes, capital gains are generally computed by comparing the sales price to the "cost or other basis." If the sales price is greater, there is a gain. If the costs are greater, there is a loss. The "cost or other basis" in general is the cost of the property, purchase commissions, improvements and sales expenses such as broker's fees and commissions minus depreciation, amortization and depletion.
3. The full amount of the capital gain, if any, is counted as income for FSP purposes.
4. If the self-employment was anticipated rather than averaged, any capital gains that the household anticipates in the 12-month period starting with the date of application must be divided by 12 and the average monthly amount added to the anticipated monthly self-employment income. The average monthly capital gain amount must be counted in each of the 12 months even if more than one certification period is involved. However, a new average must be calculated and used if the anticipated amount of capital gains changes.

C. Allowable Expenses.

1. Certain costs of doing business are excluded from gross monthly self-employment income when net monthly self-employment income is computed **if a farmer verifies expenses in excess of the 30 percent deduction.**
2. Self-employment income for FSP purposes is not computed the same as it is for Internal Revenue Service (IRS) purposes. The IRS forms may only be used for verification purposes.
3. **Allowable** costs for FSP purposes include costs such as identifiable costs of:
 - (a) Labor such as wages and salaries paid to employees. However, an exclusion cannot be allowed for wages paid to the farmer himself or other household members.;
 - (b) Stock;
 - (c) Raw material and supplies;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 11

104.83 Computing Income and Farm Expenses (continued)

- (d) Seed and plants;
- (e) Fertilizer and lime;
- (f) The **interest** portion of (i) payments on business or operating loans and (ii) payments on income-producing real estate and capital assets such as equipment, machinery and other durable goods;
- (g) Insurance premiums;
- (h) Taxes paid on income-producing property;
- (i) Privilege taxes such as licensing fees and gross receipts and general excise taxes that must be paid in order to earn self-employment income;
- (j) Business transportation costs such as costs of carrying grain to an elevator, trips to obtain needed supplies, etc.;
- (k) Rental payments on income-producing equipment. If a farmer is renting equipment with an option to buy, the rent payments are allowed until the purchase is made;
- (l) Costs of repairs and maintenance of equipment; and
- (m) Storage and warehousing charges.

4. Costs are allowed when they are billed or otherwise become due. When the income is annualized, only expenses billed or otherwise due in the current 12-month period are allowed. Costs that were billed or otherwise became due in a prior year which are not expected to recur in the current year may not be brought forward to the current year regardless of when they are paid.

D. There are some costs that specifically are **NOT ALLOWABLE**. They are:

1. Payments on the principal of the purchase price of income-producing real estate and capital assets such as equipment, machinery and other durable goods;
2. Expenses and net losses from previous periods;
3. Federal, State and local income taxes, money set aside for retirement purposes, and other work-related personal expenses such as transportation to and from work. These expenses are allowed for by the 20 percent earned income deduction;
4. Depreciation. To allow such costs would result in an exclusion for amounts which are not actual costs to the household and would, in effect, constitute an exclusion for the costs of income-producing property and assets which otherwise are not allowed;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 12

104.83 Computing Income and Farm Expenses (continued)

5. Repayment of the principal of a bank loan. The loan was never counted as income, and the repayments as such are not excluded as an expense. However, the household is given an exclusion for allowable expenses (see 104.83C) when purchases are made even if they are paid for with a business, operating or personal loan;
6. Penalties and fines. For example, an IRS penalty imposed on a farmer for failure to pay an employee's social security taxes is not an allowable cost of doing business. Likewise, penalties imposed by the U. S. Department of Agriculture for failure to comply with planting and marketing programs are not allowable costs;
7. Blue jeans and work boots are not specific to any one job, and their costs are not allowable exclusions. However, if a self-employed fisherman needs hip boots or a bee keeper needs protective head gear, the costs would be allowable exclusions; and
8. Charitable contributions.

104.83 Computing Income and Farm Expenses (continued)

**Guide for Computing Monthly Farm Self-Employment When Income Is Annualized
Calendar Year _____**

A. List all annual gross income from farm operations.

1. Sale of livestock, produce, grain, and other products.

<u>Product</u>	<u>Amount</u>
_____	_____
_____	_____
_____	_____
_____	_____

Total product sales..... _____

2. Proceeds from the sale of capital goods or equipment.

<u>Asset(s)</u>	<u>Capital Gain</u>
_____	_____
_____	_____

FSP Capital Gain..... _____

3. Agricultural Program Payment(s)

<u>Type</u>	<u>Amount</u>
_____	_____
_____	_____
_____	_____

Total Agricultural Payments..... _____

4. Other, specify:

<u>Type</u>	<u>Amount</u>
_____	_____
_____	_____

Total Other..... _____

B. Total all types of income (Add A 1-4.) This is the annual gross farm self-employment income.....

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 14

104.83 Computing Income and Farm Expenses (continued)

C. List all allowable expenses.

Allowable Expenses	Expense
1. Costs of livestock and other products bought for resale, breeding or dairy purposes. The costs of products bought for resale are subtracted under the income section of the tax form. (be careful not to include costs from a prior year)	
2. Breeding fees	
3. Chemicals such as sprays	
4. Feed purchased for livestock	
5. Fertilizer and lime	
6. Freight and other hauling costs	
7. Gasoline, oil, other fuels for farm equipment	
8. Insurance on farm equipment, crops and livestock	
9. Interest and taxes on the purchase of farm equipment, machinery and supplies	
10. Interest, taxes and insurance on farm mortgage, less the amount prorated for the home	
11. Labor costs of employees (Do not include salaries paid to household members)	
12. Rent of farm land, buildings and equipment	
13. Repairs and maintenance costs	
14. Seeds and plants purchased	
15. Storage and warehousing	
16. Supplies and raw materials	
17. Utility costs of farm operations (Do not include the portion attributable to the home)	
18. Veterinarian fees, medicine	
19. Other (Do not list depreciation, income taxes, or social security taxes)	
D. Total Annual Farm Expenses	

E. Subtract line D – Total annual farm expenses from line B – Annual gross farm self employment income. Results equals net farm income. _____

F. Divide line E by 12 to determine average monthly farm income. **Indicate if this is a net gain or net loss.** _____

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 15

104.83 Computing Income and Farm Expenses (continued)

Example:

Farmer Household

CARES will compute the net income for farmer households. This example is to illustrate the calculation.

Income:

\$11,500 sale of calves
 2,000 sale of bull which was purchased the year before for \$1,700
 6,000 sale of milk
 2,000 corn
 2,500 hay

Expenses:

\$2,500 purchase of a bull
 \$3,200 for interest and taxes on the farmed real estate
 1,200 for the principal portion of the mortgage payment on the farmed real estate
 1,000 lime and fertilizer
 700 seed
 600 meal for cattle
 100 insecticides
 300 electricity for barn
 100 medicine for cattle
 500 to neighbor to bale hay
 500 gas and oil for farm equipment
 200 supplies and raw material
 250 depreciation on farm equipment
 2,000 income and social security taxes
 2,000 repayment of a business loan
 50 costs of having corn ground for baby chickens
 200 wages to spouse to fill out farm tax forms and keep the farm records 300
 insurance on farm operations

No changes are anticipated for next year except the farmer will not be selling a bull.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 16

104.83 Computing Income and Farm Expenses (continued)
Guide for Computing Monthly Farm Self-Employment when Income Is Annualized
 Calendar Year 00 Projected for '01

A. List all annual gross income from farm operations.

1. Sale of livestock, produce, grain, and other products.

<u>Product</u>	<u>Amount</u>
Calves	\$11,500
Milk	6,000
Corn	2,000
Hay	2,500
Total product sales.....	<u>\$22,000</u>

2. Proceeds from the sale of capital goods or equipment.

<u>Asset(s)</u>	<u>Capital Gain</u>
-----------------	---------------------

FSP Capital Gain..... 0

3. Agricultural Program Payment(s)

<u>Type</u>	<u>Amount</u>
-------------	---------------

Total Agricultural Payments..... 0

4. Other, specify:

<u>Type</u>	<u>Amount</u>
-------------	---------------

Total Other..... 0

B. Total all types of income (Add A 1-4.) This is the annual gross farm self-employment income..... \$22,000

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 17

104.83 Computing Income and Farm Expenses (continued)

C. List all annual allowable expenses.

Allowable Expenses	Expense
1. Costs of livestock and other products bought for resale, breeding or dairy purposes. The costs of products bought for resale are subtracted under the income section of the tax form. (be careful not to include costs from a prior year)	\$2,500
2. Breeding fees	
3. Chemicals such as sprays	100
4. Feed purchased for livestock	600
5. Fertilizer and lime	1,000
6. Freight and other hauling costs	
7. Gasoline, oil, other fuels for farm equipment	500
8. Insurance on farm equipment, crops and livestock	300
9. Interest and taxes on the purchase of farm equipment, machinery and supplies	
10. Interest, taxes and insurance on farm mortgage, less the amount prorated for the home	3,200
11. Labor costs of employees (Do not include salaries paid to household members)	500
12. Rent of farm land, buildings and equipment	
13. Repairs and maintenance costs	
14. Seeds and plants purchased	700
15. Storage and warehousing	
16. Supplies and raw materials	200
17. Utility costs of farm operations (Do not include the portion attributable to the home)	300
18. Veterinarian fees, medicine	100
19. Other (Do not list depreciation, income taxes, or social security taxes)	
D. Total Annual Farm Expenses	\$10,000

E. Subtract line D – Total annual farm expenses from line B – Annual gross farm self-employment income. Results equals net farm income. \$12,000

F. Divide line E by 12 to determine average monthly farm income. **Indicate if this is a net gain or net loss...** +1,000

(NOTE: Since the chickens do not produce income, their costs are not allowable.)

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 18

104.84 Shelter Portion of Farm

A. Shelter Costs Other Than Utilities

1. If a household's home is on property connected to property used for farming, the case manager must determine if the shelter costs (e.g. rent or mortgage) and the self-employment costs can be separately identified.
2. Proration may be used to separately identify costs based on information from a mortgage lender, real estate tax records, Farmers Home Administration documents, insurance premiums, etc., and the home ratio may be applied to taxes and insurance costs if better information is not readily available.
3. If the costs of rent or mortgage, insurance, taxes, and interest cannot be separated, no self-employment exclusion for insurance, taxes or interest on the mortgage payment may be allowed, and no portion of the mortgage payment, taxes or interest may be allowed as shelter costs.
4. If the farmer uses a room or a separate apartment in his or her house or residence solely for the farm operation, the case manager may on a case-by-case basis:
 - (a) Include all costs (such as rent, mortgage, taxes, and insurance) that the household is required to pay to live there as household shelter costs; or
 - (b) Exclude part of the costs as self-employment costs and part as shelter costs, provided that no costs are allowed as both self-employment costs and shelter costs. The self-employment costs may be separately identified based on the number of rooms, square feet, etc. If separately identified, only the portion attributed to the household's living space can be included in shelter costs. No portion of the principal attributed to the self-employment enterprise under this option is allowed.

B. Utilities:

1. If a farmer's home is on property connected to property used for farming, the case manager must determine if the shelter costs and self-employment costs can be separately identified. Utility costs for a barn are often metered separately from the home, and the cost of a telephone is the same as for other households.
2. If utilities are measured and billed separately, the household is entitled to the SUA or actual utility costs for its residence, and to the separately billed self-employment costs as a cost of doing business.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 19

104.84 Shelter Portion of Farm (continued)

3. If the utility costs cannot be separately identified, the household may not claim actual utility costs. As part of its shelter costs, the household is entitled to a standard utility allowance if it incurs out-of-pocket heating and cooling costs for the home separately from the rent or mortgage or it receives a Low Income Home Energy Assistance Act payment.
4. If the farmer uses part of his house, such as a separate room or a separate apartment solely for the farm enterprise and there is a central meter, the case manager on a case-by-case basis must:
 - (a) Allow the household either the SUA or the total actual utility costs for the house as shelter costs, but no self-employment exclusion; or
 - (b) Allow the household to claim actual utility costs prorated between shelter costs and self-employment costs. The SUA cannot be used under this option.

104.85 Tobacco "Pounds" (Rights):

If a farmer temporarily leases land and/or the right to grow burley tobacco from another individual, the amount charged to lease such land and/or temporary tobacco rights is an allowable self-employment expense in the year billed or otherwise due. When the farmer is growing tobacco, the leased land and/or right are not counted as income or a resource. Permanent rights, which are bought and can be resold without selling the land, are capital assets. As such, the household is not entitled to an income exclusion for payments on the principal of the purchase price of the pounds. The household is entitled to an exclusion for interest payments, if any, when they become due or otherwise payable. The pounds are an excluded resource if they are essential to the employment or self-employment of a household member. To the extent they are not essential, they count as a resource based on equity value. If the household is reimbursed for unused pounds, the transaction must be treated like a sale of the pounds.

104.86 Garnishments and Bankruptcy

- A. Garnishments have no effect on the treatment of self-employment income, i.e. the total gross amount is counted in the income computation. The amount garnished is not an income exclusion.
- B. The self-employment income of farmers who have declared bankruptcy is computed the same as the self-employment income of other farmers. There are different types of bankruptcies. Some allow people to continue to do the same kind of business and others do not. If the person continues to earn self-

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 20

104.86 Garnishments and Bankruptcy (continued)

employment income, the gross amount minus allowable expenses is counted. Sometimes the total amount of income goes to a trustee, and from this amount he pays the bills and gives the farmer a living allowance. This living allowance is not counted as income because it would result in double counting. No exclusion is allowed for the fees of a trustee or conservator for his services. In other situations all of the money goes to the farmer, but he must pay a set amount to a court appointed person for back debts. This amount is not allowed as exclusion. An exclusion is only allowed for certain costs in the year in which they are billed or otherwise become due. The household is not entitled to a double exclusion.

If a farmer sells equipment and uses the proceeds to pay off a loan, the money is income to the farmer. If a farmer sells equipment and the proceeds are diverted to a bank to repay a loan, the money is counted as income to the farmer. If a farmer voluntarily turns over collateral to a bank, and the bank sells the collateral to pay off a loan, the proceeds of the sale are not counted as income to the farmer. Once the collateral is turned over to the bank, it becomes the legal property of the bank. If a farmer holds the title to property and sells the property, any proceeds from the sale are counted as income to him/her. If the farmer gives the title to the bank or if the property is repossessed prior to sale and the bank sells the property, the proceeds are not counted as income to the household.

If a lender is unable to collect on a farm loan, the lender may write all or part of it off or "forgive" the outstanding balance. The forgiven portion is not counted as income to the household.

104.87 Specific Types of Payments

Following is guidance for the treatment of specific types of payments:

- A. A Federal gasoline tax credit is excluded from income. (It is a credit against tax liability.)
- B. A State gasoline tax refund is excluded from income on the basis that it is a nonrecurring lump-sum payment. The Federal gasoline tax credit and the State gasoline tax refund may be combined on the same line of the tax form.
- C. Recaptured Depreciation and Recaptured Investment Credit: IRS allows self-employed persons to deduct depreciation on property, for example a tractor, as a cost of doing business. When the property is sold before the end of its useful life, the seller must declare a portion of the depreciation as income for IRS purposes. This is commonly referred to as recaptured depreciation.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 21

104.87 Specific Types of Payments (continued)

IRS allows a percentage of certain investments to be deducted as an expense. If the asset is disposed of or ceases to be eligible before the end of the recapture period for recovery property or before the end of the estimated life used to figure the credit, a percentage of the credit may have to be recaptured for IRS purposes. This is commonly referred to as recaptured investment credit.

Recaptured depreciation and recaptured investment credit are considered in the capital gain computations in the same manner as they are for Federal income tax purposes.

- D. Patronage dividends are reported on tax forms. They are paid by cooperatives in cash or shares of stock. These dividends are similar to rebates paid based on the amount of goods bought or services used for the self-employment enterprise. Cash dividends are counted as income. Dividends in the form of stock are counted as a resource.
- E. Payments received as royalties are counted as unearned income.
- F. Income from rental property is non-farm self-employment income.
- G. Disaster assistance payments made as the result of a Presidentially declared major disaster or Presidentially declared emergency are excluded from income and resources. This applies to Federal assistance provided to persons directly affected and to comparable disaster assistance provided by States, local governments, and disaster assistance organizations.
- H. Agricultural Stabilization and Conservation Service (ASCS) cash payments are counted as earned self-employment income except for loans and payments made as the result of a Presidentially declared disaster. These include, but are not limited to, Commodity Credit Corporation and acreage reduction and conservation payments. Farm loans are excluded from income.

There are numerous and constantly changing programs under ASCS. There are several programs under which payments are made to farmers for crop losses. Many are of short duration and change from year to year. If ASCS payments are made as the result of a Presidentially declared disaster or emergency, they are excluded from income and resources in accordance with the Disaster Relief Act of 1974 as amended. Other ASCS one-time and installment payments made to farmers for crop or other losses are earned self-employment income.

Under the PIK program, farmers receive commodities from the U.S. Department of Agriculture, Commodity Credit Corporation (CCC). No income is received by the household until the grain is sold. If the commodities are expected to be sold

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 22

104.87 Specific Types of Payments (continued)

during the year, the anticipated income must be included as self-employment income for FSP purposes. The CCC may also pay farmers in the form of commodity certificates for land diversion or acreage reduction. The certificates may later be surrendered to the CCC for cash or for commodities, or the farmer may sell the certificate to someone else, usually for a profit. The certificates are valued in dollars based on the price of the commodity at the time of the agreement with the CCC and the number of bushels of the commodity the farmer will lose through land diversion or acreage reduction. When the certificates are used, the farmer receives cash or commodities based on the price of the commodity at the time the certificate is used. The cash received under this program is counted as income in the year it is expected to be received. It is annualized like other self-employment farm income. The value of any commodity that the household intends to use for feed or seed is excluded from income. If the farmer intends to retain the certificate or the commodity longer than 12 months, the value thereof is counted as a resource. In some cases farmers will sell commodities they own to the CCC and receive them back from CCC as PIK commodities. Farmers are paid by CCC for the commodities with the payment being used to repay price support loans previously extended to the farmer by CCC. These sales and loan payments should be treated as completely separate transactions from the receipt of CCC certificates or PIK commodities and should be handled in the same manner as any other sale of commodities and repayment of a price support loan.

- I. The Federal Crop Insurance Corporation (FCIC) insures producers against crop losses. An FCIC payment is a nonrecurring lump-sum payment. It is a resource in the month received and thereafter until spent. Unlike ASCS payments, the producer has to pay a premium for FCIC insurance. The Federal government subsidizes the premiums.
- J. A crop insurance payment from a private company is excluded from income if it is paid as a nonrecurring lump-sum payment. It is counted as a resource in the month received and thereafter until spent. If the insurance company pays the household in installments, the money is counted as income.

104.88 Farm Losses Offset Against Other Income

- A. If the costs of producing self-employment farm income exceed the gross farm income, such losses are offset against other countable income.
- B. To qualify for this offset, the person must receive or anticipate receiving annual gross proceeds of \$1,000 or more from the farming enterprise.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 23

104.88 Farm Losses Offset Against Other Income (continued)

- C. Monthly net farm self-employment income is computed in the normal manner by taking gross income, subtracting allowable exclusions and prorating the result over the period the income is intended to cover (usually 12 months). If there is a monthly net farm loss, the offset is made in two phases.

Phase I. The monthly farm loss is offset against the total amount of other net self-employment income computed for that month.

Phase II. If other net self-employment income is not enough to cover the farm loss, the remainder of the farm loss is offset against the total other earned and unearned income for that month. If there is still a net loss, the household is certified based on zero net income. The monthly excess loss is not carried forward to subsequent months.

- D. A fisherman is equivalent to a self-employed farmer for purposes of the offset provision if the fisherman is self-employed, rather than an employee, and the fisherman receives or anticipates receiving annual gross proceeds of \$1,000 or more from fishing. This applies even if the fisherman is only involved in catching or harvesting the fish. This applies to watermen and crayfishermen, as well as to other fishermen.

104.89 Earned Income Deduction

- A. If a household has a monthly net self-employment income gain after a farm loss offset, if any, the household is entitled to a 20% earned income deduction from the net self-employment amount. If there is a net self-employment income loss, the household is not entitled to an earned income deduction from self-employment income.
- B. If a household has earned income that is not from self-employment, the earned income deduction from that income is computed based on the amount before a farm loss offset, if any, is made.

104.891 Verification

The farmer's most recent income tax forms and schedules are normally good sources of verification for self-employment income and expenses. However, other sources may be used. If the tax form is questionable or not available, the case manager must ask to see other documents that support the income and expenses that the household has reported.

Other sources of verification may include, but are not limited to, ledgers, charge account statements, sales slips, canceled checks, invoices, purchase orders and

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 24

104.891 Verification (continued)

cash receipts. In documenting this verification, the case manager should record the date, identify the other party or company, describe the expense or income, and record the amount, taxes and discounts, if any.

In some instances, such as anticipated changes or a new business, it may be necessary to obtain information from collateral contacts.

If a bankruptcy action has been initiated, the case manager may get a statement from the bankruptcy trustee regarding the debt reorganization plan concerning the accessibility of assets and the anticipated gross income and expenses.

104.892 Making Changes

When income has been annualized and changes are reported during the 12-month period, the State agency must make adjustments. The following are some examples.

- A. This household filed its income tax return in February and applied for FSP benefits in February. It is subject to simplified reporting. The household did not choose to have the income prorated in uneven amounts.

Original Certification:

\$16,000 crop income
 - 4,800 30% self-employment deduction (actual farm expenses were \$4000)
 \$11,200 divided by 12 months = \$933 net per month for February through January of the following year.

Due to a drought, the household reported on July 20 that it expected to only get \$10,000 from the sale of crops for the year. The case manager must re-annualize the income over the same 12-month period that was used at the time of certification or recertification using the new income amount.

1st Change:

\$10,000 crop income
 -4,000 farm expenses (this exceeds 30% self-employment deduction)
 \$ 6,000 divided by 12 months = \$500 net per month for August through January of the following year.

The household came in on August 1 and reported a second change. It reported that it expected to receive an additional \$2,400 payment in September from the sale of crops on land that it recently purchased. The case manager must re-annualize again over the same 12-month period that was used at the time of certification or recertification based on the most recent information available.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 25

104.892 Making Changes (continued)

2nd Change:

\$10,000 crop income
 + 2,400 additional crop income
 12,400 total gross income
 - 4,000 expenses
 \$ 8,400 divided by 12 months = \$700 net per month for September through January in lieu of all previously computed amounts. A Notice of Adverse Action must be sent in August.

The **end result** is that this household will be certified with net monthly farm income of \$1,000 for February - July, \$500 for August, and \$700 for September - January.

B. If the income and expenses were annualized and the person stops farming during the 12-month period, normally the case manager should stop counting the farm self-employment income when the last income is received from that source. For example, a farmer reported the first of September that he or she planned to stop farming in September and expects to sell the last crop in October. The sale of the crop had previously been anticipated, and the income had already been included in the averaged amount. The averaged amount of income would continue to be counted for October. No self-employment income would be counted for November.

If, however, the household is expected to receive residual income after the person stops being actively engaged in the farm enterprise and the amount of income is expected to be substantially more or less than that previously averaged, the case manager must calculate the residual farm income based on the anticipated monthly amount(s). For example, the annualized self-employment income resulted in an average monthly amount of \$400. On June 5, the person reported that he or she would not be actively engaged in farming after June and would not receive any additional income from that source except that a person who bought some hay owes him \$100 in July and \$200 in August. The person does not anticipate any future expenses. In this case, the case manager would stop counting the \$400 monthly amount after June's issuance and calculate future self-employment income based on the amount anticipated to be received each month. The case manager could count \$200 as self-employment income for July and \$100 self-employment income for August, or the anticipated fluctuating monthly income could be average forward over the remainder of the certification period.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SELF-EMPLOYED HOUSEHOLDS	Section 104	Page 26

104.892 Making Changes (continued)

A farmer may receive a bill for an allowable expense after the person has quit farming. If the income is averaged, self-employment expenses for the same period the income is averaged are allowed. When the income is no longer counted, expenses are no longer allowed as exclusions from that income. If the income is computed on a monthly basis, only the expenses billed or otherwise due in that month are allowed.

If a farmer had his farm self-employment income and expenses annualized and was receiving a monthly offset from other income and the person stops farming during the 12-month period, the case manager should stop allowing a monthly offset during the 12-month period when no more farm income will be received. Just as any net gains would stop being counted at that time, any net loses for farm offset purposes would also stop being allowed at that time.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS WITH BOARDERS	Section 105	Page 1

105.1 Purpose

This section describes the treatment of income received by households with boarders as defined in Section 100.4 (Boarders) of this Food Supplement Program (FSP) manual.

105.2 General Information

- A. Income received by households with boarders in both commercial and non-commercial board situations is considered self-employment income.
- B. Persons residing in a commercial boarding house (establishments licensed as an enterprise that offers meals and lodging for compensation) are considered boarders regardless of the compensation they pay.
- C. Persons residing in a non-commercial boarding house are considered boarders if they pay reasonable monthly compensation for their meals and lodging as described in Section 100.4 of this manual.

105.3 Income from Boarders

- A. Exclude persons who are boarders as defined in Section 100.4 of this manual when determining the household's eligibility and benefit level.
- B. Include as income all direct payments to the household for room and meals, including contributions to the household's shelter expenses.
- C. Do not count shelter expenses paid directly by boarders to someone outside the household as income to the household.

Example 1: A boarder pays \$20.00 a month to the household for the heating bill. This amount is counted as income to the household.

Example 2: A boarder pays the telephone bill for the household directly to the phone company. The amount of the payment is not counted as income to the household.

105.4 Allowable Costs of Doing Business

- A. Exclude the portion of the boarder payment that is a cost-to-do business when determining the income received from boarders.
- B. The amount allowed as the cost-to-do business is 30% of the proprietor's gross monthly receipts received from boarders.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS WITH BOARDERS	Section 105	Page 2

105.5 Computing Income

- A. Net monthly self-employment income from boarders is determined by:
1. Adding together all direct payments to the household by the boarders and then;
 2. Applying the 30 percent (cost-to-produce) deduction.
- B. Add the result of this computation (net income from self-employment) to other earned income and apply a 20 percent earned income deduction to the total.
- C. Compute the shelter costs the household actually incurs (even if the boarder contributes directly to the household for shelter expenses) to determine if the household will receive a shelter deduction.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS CONTAINING NONMEMBERS	Section 108	Page 1

108.1 Purpose

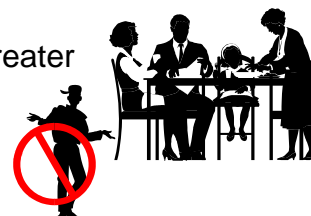
This section describes the procedures for handling cases with nonmembers in the household.

108.2 General Information

- A. In certain cases, not every person in a household is eligible to participate in the Food Supplement Program (FSP).
- B. One or more people living in the household may be nonmembers, ineligible, or disqualified from the FSP because of a non-financial eligibility factor.
- C. Income and resources of a nonmember are treated differently depending on the reason for the ineligibility.

108.3 Nonmembers of a Household

- A. Do not include the following individuals in a FSP household except as required in Section 100.3 of this manual.
 - 1. Roomer. An individual to whom a household furnishes lodging, but not meals, for compensation (See Section 100.8).
 - 2. Live-in attendant. An individual who resides with a household to provide medical, housekeeping, childcare or similar services (See section 100.8).
 - 3. Boarder. An individual who pays an amount equal to or greater than the monthly coupon allotment (See Section 100.4).
 - 4. Other. Other individuals who share living quarters with the household but who do not customarily purchase and prepare meals with the household.
- B. These individuals (if otherwise eligible) may participate as separate households. Boarders may not participate independently of the household providing the boarder service.
- C. Do not include these individuals in determining household size, eligibility, or FSP benefit level.
- D. Do not consider the income and resources of these individuals available to the household with whom they live.



DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS CONTAINING NONMEMBERS	Section 108	Page 2

108.3 Nonmembers of a Household (continued)

- E. Include as income to the household any payments from the nonmember.
- F. The household cannot deduct any portion of household expenses that are paid by the nonmember.
- G. If the household shares deductible expenses with the nonmember, deduct only the amount actually paid or contributed by the household as a household expense. If the payments cannot be differentiated, prorate the expenses evenly among persons actually paying or contributing to the expense and deduct only the household's pro rata share.
- H. When the earned income of one or more household members and the earned income of a nonmember are combined into one wage, determine the income as follows:
 1. If the household's share can be identified, count the portion due to the household as income.
 2. If the household's share cannot be identified, prorate the earned income among all those for whom it was intended to cover, and count the prorated portion to the household.


108.4 Ineligible Members

Some household members are ineligible to receive FSP benefits because of FSP rules. Others are ineligible for such reasons as being disqualified for committing an intentional program violation (IPV) or for refusing to comply with a requirement. Ineligible individuals include the following:

- A. Individuals who do not meet the eligible student requirements in section 102.
- B. Individuals who do not meet the citizenship or eligible immigrant status of section 120.
- C. Individuals disqualified for an intentional program violation as described in section 480.
- D. Individuals disqualified for failure to provide a social security number as described in section 405.
- E. Individuals disqualified for noncompliance with work requirements as described in section 130.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS CONTAINING NONMEMBERS	Section 108	Page 3

108.4 Ineligible Members (continued)

- F. Able-bodied adults without dependent children who fail to comply with the work requirement as described in section 130.
- G. Individuals during any period the individual is fleeing to avoid prosecution, or custody or confinement after conviction for a felony, or violating a condition of probation or parole.
- H. Individuals, if convicted for an offense that occurred after August 22, 1996 that is classified as a felony and which has an element of possession, use, or distribution of a controlled substance except for individuals as described in Section 100.71. 
- I. Individuals convicted in a court or by an administrative disqualification hearing to have made a fraudulent statement with respect to residence or identity of the individual in order to receive multiple benefits simultaneously.
- J. Individuals convicted by a court of trafficking FSP benefits of \$500 or more.

108.5 Treatment of Income, Deductions and Resources of:

- ◆ **Individuals who do not Meet the Citizenship or Eligible Immigrant Status,**
- ◆ **Able-bodied Adults without Dependents who are not meeting the Work Requirements, and**
- ◆ **Individuals Disqualified for Failure to Provide a Social Security Number.**

During the period of time the member is ineligible, treat the income and resources of ineligible immigrants, able-bodied adults without dependents who are not meeting the work requirement and individuals not included in the household for failure to provide or apply for a social security number as follows:

- A. Resources – Consider the total value of resources of the excluded member as available to the household.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS CONTAINING NONMEMBERS	Section 108	Page 4

108.5 Treatment of Income, Deductions and Resources of:

- ◆ **Individuals who do not Meet the Citizenship or Eligible Immigrant Status,**
- ◆ **Able-bodied Adults without Dependents who are not meeting the Work Requirements, and**
- ◆ **Individuals Disqualified for Failure to Provide a Social Security Number (continued)**

B. Income – Count a pro rata share of the ineligible member's income to the remaining household members. Determine the pro rata share as follows:

1. Subtract the allowable excluded income (see section 211) from the ineligible member's total income.
2. Divide the income evenly among the household members, including the ineligible members.
3. Count as income for the remaining members all but the ineligible member's share.

EXAMPLE: A disqualified member's monthly income is \$200 after subtracting excluded income. Three persons are in the FSP household, not including the ineligible member. When divided by 4, the pro rata share for each member is \$50. Do not count the ineligible member's share. Include \$150 as available income to the household.

C. Deductible Expenses

1. Apply the 20 percent earned income deduction to the attributed portion of the ineligible member's earned income.
2. Allow a pro rata portion of any allowable child support, shelter and dependent care that are either paid by or billed to the ineligible member. Divide the deductible expense evenly among the household members including the ineligible member.
3. Count all but the disqualified member's portion as a deduction for the remaining members.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS CONTAINING NONMEMBERS	Section 108	Page 5

108.5 Treatment of Income, Deductions and Resources of:

- ◆ **Individuals who do not Meet the Citizenship or Eligible Immigrant Status,**
- ◆ **Able-bodied Adults without Dependents who are not meeting the Work Requirements, and**
- ◆ **Individuals Disqualified for Failure to Provide a Social Security Number (continued)**

EXAMPLE: A disqualified member has gross earned income of \$200 monthly and pays \$60 toward the rent and \$20 towards utilities. The household contains three persons plus the disqualified member. The household's pro rata share of the income is \$150. The pro rata shares of rent and utilities are \$45 and \$15, respectively. The \$150 is included in the household's gross monthly income. Because it is earned income, the household is entitled to the 20% earned income deduction. The household's pro rata share of the ineligible member's shelter expenses, or \$60, is counted as a deductible shelter expense in the FSP computation.

NOTE: If the person disqualified was entitled to a medical expense deduction, the household is not entitled to any portion of this person's deduction during the disqualification period. Also, if the disqualified person is the only elderly/disabled member of the household, the household is not entitled to the special shelter deduction.

EXAMPLE: The disqualified elderly/disabled member has gross unearned income of \$210 monthly and pays \$60 toward rent and \$50 toward utilities. The disqualified individual has \$60 per month medical expenses. The household normally contains two persons plus the ineligible person. Neither of the other persons is elderly/disabled. Total rent for the three persons is \$200 and utilities are \$80. During the period of ineligibility:

- \$140 is attributed to the household as income. ($\$210 \div 3 = \$70 \times 2 = \$140$)
- No medical expenses are allowed.
- The household is allowed \$180 for rent – the eligible member's share ($\$200 - \$60 = \$140$) plus the prorated share from the ineligible member ($\$60 \div 3 = \$20 \times 2 = 40$)
- The household is allowed \$63 for utilities – The eligible member's share ($\$80 - \$50 = \$30$) plus the prorated share from the ineligible member ($\$50 \div 3 = \$16.66 \times 2 = 33$)
- The household is also subject to the cap on the shelter deduction.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS CONTAINING NONMEMBERS	Section 108	Page 6

108.6 Treatment of Income and Resources of a Member Who is Ineligible because of a Disqualification.

A. This includes:

1. An individual disqualified for an intentional program violation as described in section 480.
2. An individual disqualified for noncompliance with work requirements as described in section 130.
3. An individual during any period the individual is fleeing to avoid prosecution, or custody or confinement after conviction for a felony, or violating a condition of probation or parole as described in section 480.
4. An individual if convicted of an offense occurring after August 22, 1996 that is classified as a felony, and which has an element of possession, use, or distribution of a controlled substance except as described in section 100.71.
5. An individual convicted in a court or by an administrative disqualification hearing to have made a fraudulent statement with respect to residence or identity of the individual in order to receive multiple benefits simultaneously as described in section 480.
6. An individual convicted by a court of trafficking FSP benefits of \$500 or more as described in section 480.



B. Once a disqualification penalty is imposed or a person becomes ineligible for a reason listed in 108.6A, the household cannot say the individual is a separate FSP household. Continue to count the disqualified member's income and resources until the disqualification period or period of ineligibility ends. However, if the disqualified member physically moves out of the home, the household must report this change. At that point, the member's income and resources are not counted.

C. During the period the member is ineligible, determine the eligibility and FSP benefit level for any remaining household members as follows:

1. Resources – Consider as available to household the total value of the resources of the ineligible member.
2. Income – Count the income of the ineligible member in its entirety.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS CONTAINING NONMEMBERS	Section 108	Page 7

108.6 Treatment of Income and Resources of a Member Who is Ineligible Because of a Disqualification (continued)

3. Deductions – The entire household’s allowable earned income deduction, standard deduction, medical deduction, dependent care deduction, child support deduction and excess shelter deduction continue to apply to the remaining household members.
- D. Do not include the ineligible member when determining the household’s size for the purposes of:
1. Assigning a benefit level to the household,
 2. Comparing the household’s monthly income with the income eligibility standards, or
 3. Comparing the household’s resources with the resource eligibility limits.
- E. A household’s FSP allotment cannot increase as a result of the exclusion of one or more household members ineligible for a reason listed in 108.6A.

108.7 Other Ineligible Household Nonmembers

For all other nonmembers of the household, who are not specifically mentioned in 108.5 and 108.6:

- A. Do not consider the income and resources of these individuals as available to the household with whom the individual lives.
- B. Consider as income cash payments from the household nonmember.
- C. The household cannot deduct any portion of household expenses that are paid by the nonmember.
- D. If the household shares deductible expenses with the nonmember deduct only the amount actually paid or contributed by the household as another household expense. If the payments cannot be differentiated, prorate the expenses evenly among persons actually paying or contributing to the expense and deduct only the household’s pro rata share.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS CONTAINING NONMEMBERS	Section 108	Page 8

108.7 Other Ineligible Household Nonmembers (continued)

- E. When the earned income of one or more household members and the earned income of a nonmember are combined into one wage, determine the income as follows:
1. If the household's share can be identified, count the portion due to the household as income.
 2. If the household's share cannot be identified, prorate the earned income among all those whom it was intended to cover and count the prorated portion to the household.

Reminder: Individuals who do not meet the eligible student requirements in Section 102 are nonmembers of the household.

- F. Do not include the nonmember of the household when determining the size of the household for the purposes of:
1. Assigning a benefit level,
 2. Comparing the household's monthly income with the income eligibility standards, or
 3. Comparing the household's resources with the resource eligibility limits.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS CONTAINING NONMEMBERS	Section 108	Page 9

COUNTING INCOME, RESOURCES AND DEDUCTIONS OF INELIGIBLE HOUSEHOLD MEMBERS

Household member ineligible because the individual:	Resources Manual Section 200	Income Manual Section 210	Shelter costs other than utilities Manual Section 212	Utility allowances Manual Section 214	Other Deductions Manual Section 213
Does not meet citizenship or eligible immigrant status	Consider the total value of resources of the excluded member as available to the household.	Count a prorated share of the ineligible member's income to the eligible household members.	Allow as a deduction a prorated share of rent, mortgage, etc. that is paid by or billed to the nonmember.	If the household shares the utilities with the nonmember, do not prorate the SUA or LUA. If there is no sharing, allow as a deduction a prorated share of the amount paid by or billed to the nonmember.	Allow as a deduction a prorated share of any child support or dependent care that is paid by or billed to the nonmember.
Is an able-bodied adult without dependents and is not meeting the work requirement					
Failed to provide a social security number					
Is disqualified for an intentional program violation	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction if paid by or billed to the nonmember.
Is not complying with work requirements	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction if paid by or billed to the nonmember.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS CONTAINING NONMEMBERS	Section 108	Page 10

**COUNTING INCOME, RESOURCES AND DEDUCTIONS OF INELIGIBLE
HOUSEHOLD MEMBERS**

Household member ineligible because the individual:	Resources Manual Section 200	Income Manual Section 210	Shelter costs other than utilities Manual Section 212	Utility allowances Manual Section 214	Other Deductions Manual Section 213
Is fleeing to avoid felony prosecution, custody or confinement, or violating a condition of probation or parole	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction, if paid by or billed to the nonmember.
Was convicted of a drug related felony offense occurring after 8/22/96 and does not meet the requirements in section 100.71	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction, if paid by or billed to the nonmember.
Is an ineligible student	Do not consider resources of these individuals as available to the household.	Do not consider the income of the ineligible individual as available to the household. Include any payments from the nonmember to the eligible household.	Do not deduct any portion of an expense that is paid by the nonmember.		
Is a individual who is not a member of the FSP household and is not required to be in the household, other than listed above (roomer, boarder, individuals who share living quarters, but who do not purchase and prepare food together)			If the household shares expenses with the nonmember deduct only the amount actually paid or contributed by the eligible household members as an expense.		

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HOUSEHOLDS CONTAINING NONMEMBERS	Section 108	Page 11

**COUNTING INCOME, RESOURCES AND DEDUCTIONS OF INELIGIBLE
HOUSEHOLD MEMBERS**

Household member ineligible because the individual:	Resources Manual Section 200	Income Manual Section 210	Shelter costs other than utilities Manual Section 212	Utility allowances Manual Section 214	Other Deductions Manual Section 213
Was convicted in court or by an administrative disqualification hearing of making a fraudulent statement about residence or identity in order to receive multiple FSP benefits	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction, if paid by or billed to the nonmember.
Was convicted by a court of trafficking FSP benefits of \$500 or more.	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction, if paid by or billed to the nonmember.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 1

109.1 Purpose

This section identifies special policy provisions that apply to the following households:

- A. Residents of group living arrangement (GLA) facilities
- B. Households containing veterans and/or their surviving spouses/children
- C. Households consisting of elderly and disabled persons living with others
- D. Residents of treatment centers for drug addiction and alcoholism

109.2 Group Living Arrangement (GLA)

109.21 Definition

“Group living arrangement” means a public or private nonprofit residential setting that serves no more than sixteen residents. The facility must be certified by agencies of the State under regulations issued under section 1616(e) of the Social Security Act.

109.22 Verification of Facility Status

- A. Prior to certifying any residents of a GLA facility the LDSS must:
 - 1. Be licensed by a health or mental health or social services agency of the State of Maryland for the care of 16 or fewer persons;
 - 2. Verify that the center is a non-profit (tax-exempt) facility. The Internal Revenue Service provides written verification of tax status to each approved GLA facility.
- B. If a facility cannot provide written verification of the above, the residents of the facility are not eligible.
- C. Each local office should maintain for worker reference a list of GLA facilities that meet the above criteria.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 2

109.2 Group Living Arrangement (GLA) (continued)

109.23 Customer Eligibility Requirements

To be eligible for FSP benefits, a resident of a group living arrangement must be blind or disabled and one of the following:

- A. Receiving benefits under title XVI (SSI) of the Social Security Act or disability or blindness payments under titles I, II, X, XIV, or XVI of the Social Security Act.
- B. Receiving federally or state-administered supplemental benefits under the Social Security Act provided that eligibility is based on disability or blindness criteria under title XVI of the Social Security Act.
- C. Receiving federally or state-administered SSI supplemental payments.
- D. Receiving disability retirement benefits from a governmental agency because of a disability considered permanent under the Social Security Act.
- E. A veteran with a service-connected (or non-service-connected) disability rated as total by the Veteran's Administration (VA) or paid as total by the VA.
- F. A veteran or a surviving spouse of a veteran considered by the VA to be in need of regular aid and attendance or permanently housebound under Title 38 of the United States Code.
- G. A surviving child of a veteran and considered by the VA to be permanently incapable of self-support under title 38 of the United States Code.
- H. A surviving spouse or child of a veteran and entitled to compensation for service connected death or pension benefits for a non-service connected death and has a disability considered permanent under the Social Security Act.
- I. Receiving an annuity payment under the Railroad Retirement Act of 1974 and determined to be eligible to receive Medicare by the Railroad Retirement Board.
- J. Receiving an annuity payment under the Railroad Retirement Act of 1974 and determined to be disabled under title XVI of the Social Security Act.
- K. Receiving interim assistance benefits pending the receipt of SSI, disability-related medical assistance under title XIX of the Social Security Act, or disability-based State general assistance benefits under disability or blindness criteria.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 3

109.2 Group Living Arrangement (GLA) (continued)

109.24 Authorized Representation

- A. Residents may apply as a one-person household or a group of residents may apply as a household.
- B. Residents may apply on their own, through an authorized representative of their own choosing, or through an authorized representative employed and designated by the GLA facility.
- C. The facility must determine if any resident or group of residents may apply on their own behalf.
- D. All residents in the GLA facility do not have to apply on the same basis. Accept applications for any individual applying as a one-person household or for any grouping of residents applying as a household as defined in Section 100 of this manual, i.e. consider all those residents who purchase and prepare together as a single household.

EXAMPLE: In a GLA facility of 16 there are 8 persons certified using the GLA facility as representative, 4 using guardians as representatives and 4 applying on their own behalf as a group. This would result in the following household composition:

12 one-person households - (8 using GLA facility representative)
(4 using guardians as representative)

1 - four person household

109.25 Determining Eligibility and Benefits

- A. Income
 - 1. Include any income paid or owed to the household. Income includes, but is not limited to, SSI, Veteran's benefits, Social Security, Public Assistance to Adults (PAA), and earnings.
 - 2. Vendor payments made by the Department of Health and Mental Hygiene (DHMH) or DHR directly to a provider for a service is not countable if the money is not owed to the household. In some living situations, such as Rehabilitative Residence Programs, grants are made to a provider agency for a package of services to cover the care of the residents of the program. The money is not owed to the client and is not counted as income. It is also not used as a deduction.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 4

109.2 Group Living Arrangement (GLA) (continued)

109.25 Determining Eligibility and FSP Benefits (continued)

Examples:

- #1 Ms. Johns is in a GLA. She receives a \$579 SSI benefit and a PAA grant of \$300. The facility also receives a grant from DHMH to help with costs of care. This money is not owed to Ms. Johns. Ms. Johns' countable income is \$879.

- #2 Mr. Jones is in a CARE program facility. His income is \$600 SSA disability and \$451 PAA. His countable income is \$1051.

- #3 Ms. Smith is in an Association of Retarded Citizens (ARC) Group Home. She receives \$545 SSA benefits as a disabled child. She works in a sheltered workshop earning an average of \$5 weekly. Her countable income is \$565.

- #4 Mr. Jackson is in a Rehabilitative Residence, which meets the definition of a GLA. He receives an \$82 personal needs allowance and \$560 SSA. His countable income is \$642.

B. Shelter Costs and Medical Expenses

1. The operator of the GLA is the resident's landlord and provider of certain medical services.

2. Medical services that GLAs frequently provide include:
 - (a) Personal attendant care,
 - (b) Supervision of medicines,
 - (c) Follow through on physician's, visiting nurse's or therapist's recommendations for home treatment,
 - (d) Medical transportation.

3. Use the GLA operator's statement regarding the amount the resident is charged for shelter costs.

4. Room and Medical costs that are separately identified are allowable shelter and medical expenses.

Example: Ms. Smith lives in a GLA. She receives SSI of \$579 per month. She pays \$450.00 per month to the GLA. The GLA states \$250.00 of this money is the charge for shelter. The GLA verifies that the balance of \$200.00 is the charge for medical services (attendant care, health aide, and medical transportation). Budgeting for this applicant is: \$579 income, \$165.00 (\$200

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 5

109.2 Group Living Arrangement (GLA) (continued)

109.25 Determining Eligibility and Benefits (continued)

- \$35=\$165. CARES will do this calculation) medical expense, and \$250.00 shelter expense.

5. Normally the GLA will identify the charge for each of the separate costs. If the GLA combines the amount the resident pays for room and meals into one amount and the GLA cannot itemize the charges, use the amount that exceeds the FSP maximum allotment as the allowable shelter cost.
6. If the GLA incorrectly includes PAA personal needs allowance as shelter cost on the rent form, you must subtract the \$82 before entering the shelter costs on the system.

Example: The CARE Home facility that Mr. Jones lives in provided a rent verification form that listed his total income \$879 (\$579 SSI and \$300 PAA grant) as the cost for shelter and meals. The case manager subtracts the maximum FSP allotment of \$149 and the \$82 personal needs allowance to calculate the shelter cost and enters \$648 on the SHEL screen.

7. **If the GLA does not separately identify the amounts paid for medical and shelter costs do not allow a deduction for the cost.** In most instances, a provider will identify the costs separately, if applicable, as either shelter and/or medical. Use the provider's verification of the breakdown of costs unless questionable.
8. The medical provider must verify medical expenses. The person, agency, or organization that provides a service is the correct source of verification of an expense.
9. Often the GLA provides medical services. The GLA may bill the resident for some, but not all, of the services. The GLA facility operator must provide a written statement of the medical services it charges the resident.
10. The GLA is the correct source of verification of the costs of attendant care that the GLA provides. If an agency other than the GLA provides the attendant care the agency providing the service is the source of verification.

Some GLAs keep an accounting of medical expenses that it pays on behalf of the resident. The case manager can use this information to determine medical expenses, unless it is questionable. If the GLA does not keep an accounting of the medical bills the case manager must get verification directly from the provider. For example, the customer has to go to the doctor every

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 6

109.2 Group Living Arrangement (GLA) (continued)

109.25 Determining Eligibility and Benefits (continued)

month, the case manager must verify the charge for the doctor visits with a bill or statement from the doctor's office.

109.26 Use of FSP Allotment

- A. The GLA may purchase and prepare food to be consumed by eligible residents on a group basis under the following conditions:
 - 1. When residents normally obtain their meals at a central location as part of the GLA services; or
 - 2. If meals are prepared at a central location for delivery to the individual residents.
- B. If residents purchase and/or prepare food for home consumption, as opposed to communal dining, the GLA must ensure that each resident's FSP allotment is used for meals intended for that resident.
- C. Eligible residents of a GLA who retain use of their own FSP account may either use their allotment to purchase meals prepared especially for them at the facility or to purchase food to prepare meals for their own consumption.

109.27 Responsibilities of GLA Facility

- A. Each GLA shall provide the State agency with a list of currently participating residents. The list must include a statement from each responsible center official attesting to the validity of the list.
- B. When acting in the capacity of authorized representative, the GLA must notify the State agency of changes in the household's income, any other household circumstances and when an individual leaves the facility.
- C. When a resident moves from the facility, the GLA must comply as follows:
 - 1. Notify the local office of the resident's departure.
 - 2. Give the former resident his or her Independence card.
 - 3. Give the departing resident his or her full allotment if issued and if nothing has been spent on his or her behalf. This procedure is applicable at any time during the month.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 7

109.2 Group Living Arrangement (GLA) (continued)

109.27 Responsibilities of GLA Facility

4. If benefits have been issued and any portion spent on behalf of the individual, the amount the former resident receives is contingent upon the departure date.
 - (a) If the individual leaves the GLA prior to the 16th day of the month, he/she is entitled to one-half of the monthly allotment.
 - (b) If the individual leaves the GLA on or after the 16th day of the month, he or she will receive nothing.
5. If the individual leaving the GLA has been certified with a group of residents as one household, allow a pro rata share of one-half of the allotment when the individual leaves prior to the 16th day of the month.
6. The GLA, if possible, shall provide the household with a change report form to report the new address and other circumstances following departure from the facility. It should advise the household to return the form to the appropriate local department within 10 days.

109.28 GLA Center Responsibility and Liability

- A. As the authorized representative, the GLA must be knowledgeable about the household's circumstances and should carefully review the information with residents prior to applying on their behalf.
- B. GLAs are:
 1. Responsible for any misrepresentation or intentional program violation it knowingly commits in the certification of residents;
 2. Liable for all losses or misuse of food allotments held on behalf of resident households;
 3. Liable for all overissuances occurring while households are residents of the facility; and
 4. Responsible for any misrepresentation or fraud, which it knowingly commits while representing residents in the certification process.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 8

109.2 Group Living Arrangement (GLA) (continued)

109.29 Misuse of FSP Funds

- A. The local office will promptly notify the Office of Programs of the Family Investment Administration (FIA) in writing when it has reason to believe that a treatment center is misusing the FSP allotments in its possession.
- B. The Family Investment Administration will promptly notify FNS of the circumstances who will investigate the complaint.
- C. The local office will take no other action against the treatment center other than to establish claims for any overissuances discovered during an investigation or hearing procedure. FIA will notify the local office of the FNS decision and of any subsequent action needed.

109.3 Veterans and Surviving Spouses/Children

The special policies that apply to elderly and/or disabled household members (uncapped shelter, medical deduction, potential separate household status) are extended to disabled veterans and their surviving spouse or children.

109.31 Eligible Persons

- A. A veteran with a service-connected (or non-service-connected) disability rated as total by the Veteran's Administration (VA) or paid as total by the VA.
- B. A veteran or a surviving spouse of a veteran considered by the VA to be in need of regular aid and attendance or permanently housebound under Title 38 of the United States Code.
- C. A surviving child of a veteran and considered by the VA to be permanently incapable of self-support under title 38 of the United States Code.
- D. A surviving spouse or child of a veteran and entitled to compensation for service connected death or pension benefits for a non-service connected death and has a disability considered permanent under the Social Security Act.

NOTE: Entitled in this definition refers to compensation or pension benefits received by the Veterans' surviving spouses and children or benefits that have been approved but not yet received.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 9

109.3 Veterans and Surviving Spouses/Children (continued)

109.32 Permanent Disabilities under the Social Security Act

- A. Permanent loss of use of both hands, both feet, or one hand and one foot.
- B. Amputation of leg at hip
- C. Amputation of leg or foot because of diabetes mellitus or peripheral vascular diseases
- D. Total deafness, not correctable by surgery or hearing aid
- E. Statutory blindness, except if due to cataracts or detached retina
- F. IQ 59 or less, established after attaining age 16
- G. Spinal cord or nerve root lesions resulting in paraplegia or quadriplegia
- H. Multiple sclerosis in which there is damage of the nervous system because of scattered areas of inflammation which recurs and has progressed to varied interference with the function of the nervous system, including severe muscle weakness, paralysis, and vision and speech defects.
- I. Muscular dystrophy with irreversible wasting of the muscles with a significant effect on the ability to use the arms and/or legs.
- J. Impaired renal function due to chronic renal disease (documented by persistent adverse objective findings) resulting in severely reduced kidney function which may require dialysis or kidney transplant.
- K. Amputation of limb, current age 55 or older.

109.33 Verification

- A. Base the determination of a disability for a veteran on observation, or a statement from the VA.
- B. When possible, verification of disability for the surviving spouse or child will be made by observation. If not possible, require verification in the form of a written statement from a physician or licensed or certified psychologist.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 10

109.4 Elderly and Disabled Living with Others

109.41 Definition

Elderly individuals 60 years of age or older (and their spouses) who are unable to purchase and prepare their own meals because of a disability considered permanent under the Social Security Act, or some other permanent physical or mental non-disease-related disability, living and eating with others may be considered an individual household.

109.42 Determining Individual Household Status

- A. Consider the elderly and disabled living with others as a separate household if the income of the others with whom the individual resides does not exceed 165% of the poverty level.
- B. Income for this provision includes the earned and unearned income of all other individuals with whom the elderly and disabled individual resides except for his or her spouse.
- C. To determine if the other household members pass the 165% of poverty test:
 1. Add together the gross income of the other members as if they were applying for FSP benefit participation (do not include the income of the elderly and disabled person and spouse in this calculation).
 2. Compare the gross income for the household without the elderly and disabled person and spouse to the 165% gross income standard on the Standards for Income and Deductions Chart column C in Section 600.
- D. If the income of the other household members is less than the 165% standard shown on the chart, the elderly and disabled person and spouse can participate as a separate household, if otherwise eligible.

Prorate any shared expenses between the households and allow the expense to whoever incurs it.

Example: Mr. Smith lives with his daughter and her two children. He is 65 years old and is unable to purchase and prepare his meals on his own because he is blind. The daughter's monthly income is \$1500. Since this is less than the amount in column C of the Standards of Income and Deductions Chart, Mr. Smith can be considered a separate household.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 11

109.4 Elderly and Disabled Living with Others (continued)

109.43 Determining Disability

- A. Disability as it applies in this policy means inability to purchase and prepare meals. Those disabilities considered permanent under the Social Security Act would probably qualify a household for separate status. It is important that the disability make the individual incapable of purchasing or preparing food.
- B. Grant separate household status immediately if the disability is obvious, provided the other household members meet the income test.
- C. Request a statement from a physician verifying the inability to purchase and prepare meals if the disability is not obvious.

109.5 Residents of Treatment Centers for Drug Addiction and Alcoholism

109.51 Verification of Facility Status

- A. Prior to certifying any residents for FSP benefits, the local office shall verify the following information:
 - 1. The treatment center is authorized by FNS as a retailer if the center wishes to use the FSP allotment through a wholesaler or,
 - 2. If it is not authorized by FNS as a retailer that it is a publicly operated or private non-profit drug or alcoholic treatment and rehabilitation center licensed by an agency of the Maryland Department of Health and Mental Hygiene.
- B. Each local office must maintain a list of certified treatment centers for worker reference.

109.52 Eligible Persons

- A. Narcotic addicts or alcoholics who regularly participate in publicly operated or private non-profit drug or alcoholic treatment and rehabilitation programs on a resident basis may voluntarily apply for the Food Supplement Program.
- B. Determine the eligibility of resident addicts and alcoholics as a one-person household or, where children are living with parents at a treatment center, the household will also include the children who are residing at the center with their parents.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 12

109.5 Residents of Treatment Centers for Drug Addiction and Alcoholism (continued)

109.53 Authorized Representatives

- A. Drug or alcohol treatment centers shall designate an employee of the center to act as the authorized representative for residents who are participating in the Food Supplement Program.
- B. The authorized representative shall complete the application process, receive and spend the FSP benefits for food prepared by and/or served to the participating residents of the center.

109.54 Processing Provisions for Residents of Treatment Centers

- A. Residents of treatment services are eligible for expedited services. The seven-day processing standard applies.
- B. Complete verification and documentation requirements when making an eligibility determination in which normal processing standards are applied.
- C. Process changes in household circumstances and recertifications by using the same standards that apply to all other FSP households.

109.55 Resident Rights

Resident households are entitled to the same rights to notices of adverse action, to administrative hearings, and to lost benefits, as are all other FSP households.

109.56 Budgeting

Consider the entire payment made by the resident to the treatment center as a shelter expense.

109.57 Responsibilities of Treatment Centers

- A. Each treatment and rehabilitation center will provide the local offices with a list of currently participating residents. The list shall include:
 1. A statement signed by a responsible center official attesting to the validity of the list.
 2. A list will be submitted on a monthly or semimonthly basis as required by the local office.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 13

109.5 Residents of Treatment Centers for Drug Addiction and Alcoholism (continued)

109.57 Responsibilities of Treatment Centers (continued)

- B. The treatment center must notify the local office of changes in the household's income or other household circumstances.
- C. The treatment center must notify the local office whenever an addict or alcoholic leaves the center.
- D. When a household leaves the facility, the center must give the ex-resident his/her Independence Card. The household will be allowed to sign for and receive any remaining benefits.
- E. The household will be entitled to the full allotment if benefits have been issued and nothing has been spent on behalf of the individual household. This applies at any time during the month.
- F. The household will be entitled to one-half of his/her allotment if any portion has been spent and the household leaves prior to the 16th day of the month.
- G. The household is not entitled to any portion of the allotment if he/she leaves on or after the 16th day of the month and any portion of his/her allotment has been spent.
- H. If possible, the center should provide the household with a change report form and advise him/her to complete and return it to the local office within 10 days.
- I. Once the household leaves the treatment center, the center is no longer allowed to act as that household's authorized representative.

109.58 Treatment Center Responsibility and Liability

- A. As the authorized representative, the treatment center must be knowledgeable about the household's circumstances and should carefully review the information with residents prior to applying on their behalf.
- B. Treatment centers are:
 1. Responsible for any misrepresentation or intentional program violation it knowingly commits in the certification of center residents;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 14

109.5 Residents of Treatment Centers for Drug Addiction and Alcoholism (continued)

109.58 Treatment Center Responsibility and Liability (continued)

2. Liable for all losses or misuse of food allotments held on behalf of resident households;
3. Liable for all overissuances occurring while households are residents of the facility; and
4. Responsible for any misrepresentation or fraud, which it knowingly commits while representing residents in the certification process.

109.59 Misuse of FSP Funds

- A. The local office will promptly notify the Office of Programs in the Family Investment Administration (FIA) in writing when it has reason to believe that a treatment center is misusing the FSP allotments in its possession.
- B. The Family Investment Administration will promptly notify FNS of the circumstances who will investigate the complaint.
- C. The local office will take no other action against the treatment center other than to establish claims for any overissuances discovered during an investigation or hearing procedure. FIA will notify the local office of the FNS decision and of any subsequent action needed.

109.6 Residents of Homeless Shelters

- A. Persons in a homeless shelter are entitled to apply for and, if eligible, receive FSP benefits.
- B. The homeless shelter cannot require a homeless FSP recipient to surrender any of their FSP Independence Card benefits to the shelter even when the shelter provides the recipient's meals.
- C. The use of FSP benefits to purchase prepared meals from public or private nonprofit homeless meal providers must be voluntary on the part of recipients.
- D. The amount the homeless meal provider requests from FSP recipients for meals cannot exceed the average cost of the food contained in a meal served to individual.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 15

109.6 Residents of Homeless Shelters (continued)

- E. The homeless meal provider must give FSP recipients the same options in paying for meals as given to persons who do not receive FSP benefits. For example, if others have the option of eating free or making monetary donations, the homeless meal provider must give recipients the option of eating free, donating money or donating FSP benefits.
- F. Even if the shelter is authorized by USDA to receive FSP benefits, turning over any or all of their FSP benefits is voluntary on the part of the resident of the shelter.
- G. Homeless meal providers can not act as authorized representatives for homeless FSP recipients.

109.7 Maryland Senior Nutrition Assistance Program (MSNAP)

- A. MSNAP is a 5-year demonstration project approved by the Food and Nutrition Service (FNS)
- B. MSNAP improves the way food assistance is delivered to elderly individuals, age 60 or older, who receive Supplement Security Income (SSI).
- C. MSNAP simplifies the application process for both participants and local department staff.

109.71 MSNAP Household Composition

An MSNAP household is an individual who the Social Security Administration has determined is eligible for SSI, and:

- . Is age 60 or older
- . Is not currently receiving Food Supplement Program (FSP) benefits
- . Is living alone or if living with others is purchasing and preparing meals alone
- . has no earned income
- . is a Maryland resident

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 16

109.72 Operating Procedures

- . The Family Investment Administration (FIA) identifies these individuals through a match with (SSA's) SDX files from the SDX/SVES system.
- . This match identifies eligible individuals by matching specific:
 - 0. Living arrangement codes, and
 - 0. Determines that the applicant is not a Food Supplement Program recipient.
- . Identified Individuals are sent an application from the central office.

109.73 Application Procedures

- . The database records the dates of application mailings. If the customer does not return the application, a second application is sent.
- . If there is no response to the second application, no further applications are sent.
- . Current FSP recipients are not converted to MSNAP. Only customers identified in the match can apply for the program.
- D. Applicants who wish to enroll in MSNAP complete and sign the simplified application and return it to the designated office.
- E. Applicants are alerted to the fact that they may be eligible for a higher benefit under the regular FSP program.
- F. Benefits begin the first day of the month the application is received from the applicant. If there is an agency delay in completing the application, the local department must issue restored benefits.
- G. The certification period for these households is for 36 months. CARES generates notices to inform applicants of their eligibility.
- H. The applicant receives an EBT card in the mail.
- I. There is no expedited FSP processing for this project.
- J. The case manager processes all applications without an interview unless information is unclear, in which case a telephone interview is completed.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 17

109.73 Application Procedures (continued)

- K. MSNAP applicants can apply for the regular Food Supplement Program if they believe they will receive a greater benefit. Please be sure to inform applicants who have high medical expenses or shelter costs that they may receive greater benefits under the regular FSP.

109.74 Allotment

- . Households with shelter costs at or above \$506 receive the higher amount of \$125. Households with shelter costs below this amount receive the lower benefit amount of \$80.
- . Shelter costs include all ongoing shelter expenses, including the appropriate utility allowances.

Examples:

- #1 Mr. A receives SSI and lives by himself in public housing. His rent is \$50 and he is responsible for his heating bill. His shelter cost total \$464 (\$50 + \$414). He would receive an \$80 allotment.
- #2 Mrs. B receives SSI and although her daughter lives in the home, she purchases and prepares her food separately. The rent for the house is \$800, which they split and they share utilities. Mrs. C's shelter cost of \$814 (\$400 + \$414), she will receive a \$125 allotment.

NOTE: Mrs. B also has a large out of pocket medical expense for an item not covered under Medicaid. Although this expense will not change the MSNAP benefit, her case manager helped her determine that she would still receive more under MSNAP than under the regular FSP.

109.75 Verification Process

- . MSNAP verification is fulfilled by using SDX data verified under SSI regulations. Any household that meets the verification criteria for SSI and additional State criteria meets the verification requirements for MSNAP.
- . Verification of shelter is done only in questionable situations.

109.76 Recertification

- C. The certification period for MSNAP participants is 36 months.
- C. During the 34th month, a mail in recertification form is mailed to each household.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 18

109.76 Recertification (continued)

- C. The household must complete and return the form by the end of the 36th month or benefits will stop.
- D. If the household returns the form in the 37th month, the case is reopened with no proration of benefits.

109.77 Change Reporting

- . MSNAP recipients are not required to report changes during the certification period. The SDX update process satisfies the reporting requirements for this project. If the recipient does report a change, the case manager must take action on it.
- . MSNAP recipients are not required to report changes in their shelter costs to the local department. If a shelter change is reported and the change would move the household from one allotment to the other, the case manager is required to act on the reported change in shelter.

109.78 Administrative Hearings

Administrative Hearing requests for MSNAP are treated the same as any other request.

109.79 Quality Control

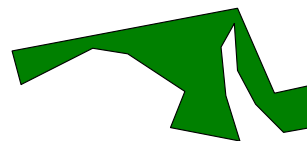
- E. MSNAP cases are included in the Quality Control (QC) sample and reviewed under the rules of the demonstration project. QC reviews the following areas:
 - 0. Active error rate
 - 0. Completion rate
 - 0. Payment error rate
 - 0. Negative error rate
 - 0. The amount of any over or under issuance
- E. Any variance exclusions that apply to the FSP apply to this project. Variances arising from incorrect information provided by SSA that the State used to determine household MSNAP eligibility or benefit level is excluded as long as the State processed the information correctly. This exclusion applies even if the household reported incorrect information to SSA.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
OTHER SPECIAL HOUSEHOLDS	Section 109	Page 21

- ❖ All current FSP notices are modified to include language that specifically addresses MSNAP eligibility.
- ❖ The Weekly and Monthly Application Compliance Report now display a new field for 'CAP' in the detail.
- ❖ There is a new Food Stamp Combined application Outreach Report that displays customers who were mailed initial MSNAP applications.
- ❖ There is a second Food Stamp Combined Application Outreach Report that displays customers who were contacted, but did not respond within 30 days.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESIDENCY	Section 110	Page 1

110.1 Residency



- A. A household must live in Maryland in order to file an application
- B. The State requires households to live in the project area in which they make application for Food Supplement Program (FSP) benefits with a few exceptions. These exceptions occur when a household has an open case in a program other than FSP benefits in another jurisdiction.
- C. An individual cannot participate as a member of more than one household or in more than one jurisdiction (certification office) in any month, except for residents of shelters for battered women and children. For more detailed information on residents of shelters for battered women and children, see Section 103, Residents of Shelters, of this manual.

110.2 Residency Requirements

When determining residency, the local department will:

- A. Not interpret residency to mean domicile which is sometimes defined as a legal place of residence or principle home;
- B. Not impose a durational residency requirement;
- C. Not interpret residency to mean intent to permanently reside in the State or project area. However, do not consider persons in the project area solely for vacation purposes residents.
- D. Not require a fixed residence, e.g. migrant campsites satisfy the residency requirement for the period of time they are in the project area.

NOTE: If otherwise eligible, households that do not reside in a permanent dwelling or have a fixed mailing address must be certified.

110.3 Verification

- A. The household may provide verification in the form of documentation such as a driver's license, rent receipt, utility or other bill, voter registration card, or similar means.
- B. This information may be further substantiated by cross-reference to an independent source such as a telephone or city directory, detailed area map, collateral contact or, if necessary, a home visit.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CATEGORICAL ELIGIBILITY	Section 115	Page 1

115.1 Definition

Categorical eligibility means that a household is considered eligible for Food Supplement Program (FSP) benefits based on its eligibility for a public assistance grant, FSP benefit or service. Households in which all members receive or are authorized to receive Temporary Cash Assistance (TCA), a service or benefit funded by Temporary Assistance to Needy Families (TANF), Supplemental Security Income (SSI), Temporary Disability Assistance Program (TDAP), or Public Assistance to Adults (PAA) are categorically eligible. This includes a FSP benefit household with a mix of TCA, SSI, TDAP or PAA members or a household authorized to receive a TANF funded service or FSP benefit.

115.2 Categorically Eligible Individuals and Households

Categorically eligible individuals and households include the following:

- A. Individuals who receive TCA, SSI, TDAP or PAA;
- B. Individuals who have been authorized but have not accessed TCA, SSI, TDAP or PAA;
- C. Individuals authorized to receive TCA, SSI, TDAP or PAA but who have not yet received the FSP benefit;
- D. Household members receiving TCA, SSI or PAA whose benefits are suspended or recouped; or
- E. TCA households that are not paid because the grant is less than \$10.
- F. Broad Based Categorical Eligibility
 1. To confer broad based categorical eligibility to FSP households, all households with income below 200 percent of federal poverty guidelines are authorized to use a non-cash Temporary Assistance for Needy Families (TANF) funded program.
 2. TANF funds were used to print the brochure, Family Planning, A Guide for You. This meets the criteria for broad based categorical eligibility. With broad based categorical eligibility, there is no requirement that there be minor children in the household. Give the customer the Family Planning brochure when the customer requests a copy. There is no requirement to give it to everyone.
 3. The following information is on the applications that are used for FSP:

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CATEGORICAL ELIGIBILITY	Section 115	Page 2

115.2 Categorically Eligible Individuals and Households (continued)

Authorization to Receive Family Planning Information

If you want information, you can ask your case manager for a Family Planning Guide. You may also contact:

- 1-800-546-8900 if you need help in finding a provider for birth control or arranging prenatal care, or
- The Center for Maternal and Child Health at 410-767-6713
www.fha.state.md.us/mch

G. 200% of 2011 Monthly Federal Poverty Guidelines:

1	\$1806
2	2430
3	3052
4	3676
5	4300
6	4922
7	5546
8	6170

H. Examples:

1. Ms. A applies for assistance for herself and her two children, aged 10 and 12 because her earnings do not cover her bills. The local department enters the household's \$4,000 monthly income on CARES to determine FSP eligibility. The household is not categorically eligible because the household's income is greater than 200 percent of poverty for a household of three. CARES denies the FSP case because gross income exceeds the gross income limit.
2. Ms. B applies for assistance for herself and her son, aged 10. The case manager enters the household's \$1,850 monthly earned income and deductions on CARES. She is categorically eligible and was found to be eligible for the \$16 minimum benefit because the household size was two.
3. Mr. C applies for FSP benefits for himself, his wife and her two children because Ms. C had recently lost her job. The household's total gross income is \$2500 earned income. The household is categorically eligible because the income is below 200 percent of the federal poverty level for a family size of 4. Mr. and Ms. C have \$10,000 in savings. They have high shelter costs and Mr. C pays child support for children outside the FSP benefit household. CARES determines that this household is eligible for a FSP benefit.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CATEGORICAL ELIGIBILITY	Section 115	Page 3

4. 115.2 Categorically Eligible Individuals and Households (continued)

5. Mr. and Mrs. D apply for FSP benefits. In the home is their 20-year old son who must be included in the household because he is under age 22. The household has gross monthly income of \$3,500. This household is not categorically eligible (income over 200% of the poverty level) and their income exceeds the gross income test. CARES will deny the household's application.

115.3 Application Processing

- A. Local departments must notify households applying for public assistance that:
 1. They have the right to apply for FSP benefits at the same time.
 2. The time limits or other requirements that apply to the receipt of TCA do not apply to the receipt of FSP benefits.
 3. Households that stop receiving TCA because they have reached the maximum time limit for receiving TCA, have begun working or for any other reason, may still be eligible for FSP benefits.
 4. Receiving FSP benefits has no bearing on any other program's time limits.
- B. If the local department attempts to discourage a household from applying for TCA, it shall make clear that that the disadvantages and requirement of applying for TCA do not apply to FSP benefits.
- C. In order to determine if a household is categorically eligible for FSP benefits, the local department may postpone (within the 30-day processing standard) the FSP eligibility determination if the household is not entitled to expedited service and appears to be categorically eligible.
- D. The local department must postpone denying a potentially categorically eligible household until the 30th day in case the household is determined eligible to receive TCA, SSI, TDAP or PAA benefits. Once the public assistance application is approved, the household is considered categorically eligible, provided no exceptions listed in "E" below are applicable.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CATEGORICAL ELIGIBILITY	Section 115	Page 4

115.3 Application Processing (continued)

- E. A household is not categorically eligible and is subject to all FSP eligibility and benefit provisions if:
1. Any member is disqualified for an intentional program violation (IPV) in accordance with Section 480.4 (Intentional Program Violation Disqualification Determination) of this manual; or
 2. The head of household is disqualified for failure to comply with the work requirements in accordance with Section 130.11 (Failure to Comply with Work Registration Requirements) of this manual.
- F. In addition to 115.3 E listed above, a TDAP household is not categorically eligible and is subject to all FSP eligibility and FSP benefit provisions if:
1. The household refuses to cooperate in providing the local department the information necessary to make a FSP eligibility determination;
 2. The household is disqualified under the striker provisions in accordance with Section 101(Strikers) of this manual; or
 3. The individual has been disqualified for an IPV or for failure to apply for a social security number.
- G. If any of the following factors are questionable, verify that the household:
1. Contains only members that are recipients of TCA, a WAG, SSI, TDAP or PAA or is a household authorized to receive a TANF funded service or benefit as described in 115.2F;
 2. Meets the household composition definition as described in Section 100 of this manual;
 3. Includes all persons who purchase and prepare their meals together regardless of whether they are separate units for cash programs; and
 4. Includes no person who has been disqualified as described in paragraph 115.3E or F.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CATEGORICAL ELIGIBILITY	Section 115	Page 5

115.3 Application Processing (continued)

- H. If required, verify FSP eligibility factors, as described in Section 408.3 (Mandatory Verification at Application) of this manual, that are not verified for the program conferring categorical eligibility.
- I. Do not include any person as a member of a categorically eligible FSP household if that person is:
1. An ineligible immigrant as defined in Section 120 (Immigrants) of this manual;
 2. Ineligible under the student provision as described in Section 102 (Students) of this manual;
 3. Institutionalized in a non-exempt facility as defined in Section 100.63 of this manual;
 4. Ineligible because of failure to comply with a work requirement in accordance with Section 130.12 of this manual; or
 5. Ineligible because of a drug related felony offense.
- J. Eligibility factors that are accepted for FSP eligibility without the verification required in Section 408.3 because of categorical eligibility are:
1. Resources
 2. Gross and net income limits
 3. Sponsored immigrant information
 4. Residency
 5. Social security number information

Reminders:

- **Do not verify the assets/resources of a categorically eligible household.**
- **Do not deny or terminate a categorically eligible household when the household fails to verify resources.**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CATEGORICAL ELIGIBILITY	Section 115	Page 6

115.3 Application Processing (continued)

- K. When a household files a joint public assistance/FSP application and is denied FSP benefits but is later determined eligible for TCA, TDAP or PAA, the case manager will issue FSP benefits as described in section 115.3L. The case manager will also use any verification or information provided subsequent to the application.

The local department must be able to retrieve an original application when the application was initially denied but is subsequently authorized a FSP benefit or service conferring categorical eligibility. The case manager should annotate changes on the application and mail it to the household for a signature.

NOTE: Do not re-interview the household. However, the local department may make mail or telephone contact with the household or its authorized representative to determine any changes in circumstances.

- L. The department will provide benefits from the date of the FSP application to any household determined eligible for TCA, TDAP or PAA that is categorically eligible within the 30-day processing standard. Prorate FSP benefits in accordance with Section 412 (Prorating Initial Allotment) of this manual.

A household that files a joint application that is found categorically eligible after being denied non-public assistance FSP benefits will have its FSP benefits for the initial month prorated from the date from which the public assistance benefits are payable, or the date of the original application, whichever is later.

Assume that the household is categorically eligible at recertification in the absence of a timely public assistance recertification.

- M. The local department will re-evaluate the original application either at the household's request or when the local department becomes aware of the household's public assistance or SSI eligibility.
- N. One and two person households that are categorically eligible are entitled to at least a \$16 per month allotment, except in an initial month. CARES will deny a categorically eligible household with three or more members that are not eligible for FSP benefits because of their income.
- O. The resources of any household member who receives or is authorized to receive TCA, SSI, TDAP, TANF funded benefit or service, or PAA are excluded.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 1

120.1 Determining Immigration Status



A. Summary

According to Federal rules, with certain exceptions, only United States Citizens, United States noncitizen nationals and "qualified" immigrants are eligible for federal, state and local public benefits. This section provides guidance on verification of citizenship, qualified immigrants status and eligibility of noncitizens.

B. Nondiscrimination and Privacy Requirements:

1. Various civil rights laws and regulations prohibit discrimination by governmental and private entities on the basis of race, color, national origin, gender, religion, age, and disability.
2. In particular, Title VI prohibits discrimination on the basis of race, color, national origin in any program or activity, whether operated by a public or private entity, that receives federal funds, or other federal financial assistance.

Note: You cannot single out individuals who look or sound foreign for closer scrutiny or require them to provide additional documents of citizenship or immigration status.

3. When implementing verification requirements, use the citizenship and immigration status only for purposes of verifying the **applicant's** eligibility for benefits.
4. Because the process of verifying an individual's status as a U.S. citizen, U.S. noncitizen national or qualified immigrant raises issues involving privacy and anti-discrimination protections, do not verify an applicant's status when benefits are not contingent on the status.
5. **If an immigrant is applying for benefits on behalf of another person, you may, under federal law, only verify the status of the person who will actually receive the benefits.**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 2

120.2 U. S. Citizen or Noncitizen National

- A. Ask for a declaration of citizenship or immigration status. Do not verify an applicant's status as a citizen unless the information provided by the applicant is questionable. After declaring citizenship or immigration status on the application and in the interview process, when an applicant signs the Rights and Responsibilities form, they are declaring their status under penalty of perjury.

Note:

The decision that an individual's declaration of citizenship is questionable must be nondiscriminatory. For example, it cannot be based on the fact that the applicant looks or sounds foreign or has an ethnic surname.

- B. The law regarding U.S. citizenship and nationality is complex. These broad definitions are provided for general guidance only.
- C. Subject to certain exceptions and qualifications, a United States citizen is:
1. A person (other than the child of a foreign diplomat) born in one of the states, or in the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, or the Northern Marianna Islands who has not renounced or otherwise lost his or her citizenship.
 2. A person born outside the United States to at least one U.S. citizen parent (sometimes referred to as a derivative citizen), or
 3. A naturalized U.S. citizen.
- D. A United States noncitizen national is a person born in an outlying possession of the United States. (American Samoa or Swain's Island) on or after the date the United States acquired possession, or a person whose parents are U.S. noncitizen nationals (subject to certain residency requirements).
- E. Verify status if questionable. Evidence of citizenship includes, but is not limited to the following:
1. A birth certificate showing birth in one of the 50 states, the District of Columbia, Puerto Rico, (on or after January 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, Swain's Island or the Northern Marianna Islands (on or before November 3, 1986), unless the person was born to foreign diplomats residing in the United States.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 3

120.2 U. S. Citizen or Noncitizen National (continued)

2. United States passport (except limited passport, which is issued for periods of less than 5 years).
3. Reports of birth abroad of a U.S. citizen (FS-240 - Issued by the Department of State to U.S. citizens).
4. Certificate of birth (FS-545 - issued by a Foreign Service post) or Certification of Report of Birth (DS-1350 - issued by the Department of State).
5. Certificate of Naturalization (N-550 or N-570 -issued by the USCIS through a federal or state court, or through administrative naturalization after December 1990).
6. Certificate of Citizenship (N-560 or N-561 - issued by the USCIS to individuals who derive citizenship through a parent).
7. United States Citizen Identification Card (I-197 - issued by the USCIS until April 1, 1983 to U.S. citizens living near the Canadian or Mexican border. Formerly the I-179, which was last issued February 1974).
8. Northern Marianna Identification Card (Issued by the USCIS to a collectively naturalized citizen of the U.S. born in the Northern Marianna Islands before November 3, 1986)
9. Statement provided by a U.S. consular officer certifying that the individual is a U.S. citizen (this is given to an individual born outside the U.S. who derives citizenship through a parent but who does not have an FS-240, FS-545, or DS-1350).
10. Derivative Citizenship. If the applicant cannot present one of the documents listed above, make a determination of derivative citizenship in the following situations:
 - (a) Applicant born abroad to two U.S. citizen parents:
 - Evidence of the U.S. citizenship of the parents and the relationship of the applicant to the parents, and evidence that at least one of the parents resided in the U.S. or an outlying possession prior to the applicant's birth.
 - (b) Applicant born abroad to a U.S. citizen parent and a U.S. non-citizen national parent:

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 4

120.2 U. S. Citizen or Noncitizen National (continued)

- Evidence that one parent is a U.S. citizen and the other is a U.S. non-citizen national, evidence of the relationship to the U.S. citizen parent, and evidence that the U.S. citizen parent resided in the U.S., a U.S. possession, America Samoa, or Swain's Island for a period of at least one year prior to the applicant's birth.

11. Applicant born out of wedlock abroad to a U.S. citizen mother:

Evidence of the U.S. citizenship of the mother, evidence of the relationship to the applicant and, for births on or before December 24, 1952, evidence that the mother resided in the U.S. prior to the applicant's birth, or for births after December 24, 1952, evidence that the applicant's mother had resided prior to the child's birth, in the U.S. or a U.S. possession for a period of one year.

12. Applicant born in the Canal Zone or the Republic of Panama:

- (a) A birth certificate showing the birth in the Canal Zone on or after February 26, 1904 and before October 1, 1979 and evidence that one parent was a U.S. citizen at the time of the applicant's birth, or
- (b) A birth certificate showing birth in the Republic of Panama on or after February 26, 1904 and before October 1, 1979 and evidence that at least one parent was a U.S. citizen and employed by the U.S. government or the Panama Railroad Company or its successor.

13. In all other situations where an applicant claims to have a U.S. citizen parent and a non-citizen parent, or claims to fall within one of the above categories, but is unable to present the listed documentation, refer the individual to the USCIS office.

14. Adoption of Foreign-born child by U.S. citizen:

- (a) If the birth certificate shows a foreign place of birth and the applicant cannot be determined to be a naturalized citizen under any of the above criteria, obtain other evidence of U.S. citizenship.
- (b) Since foreign-born adopted children do not automatically acquire U.S. citizenship by virtue of adoption by U.S. citizens, refer the applicant to the local USCIS district office for a determination of citizenship if the applicant provides no evidence of citizenship. (See also #16 below)

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 5

120.2 U. S. Citizen or Noncitizen National (continued)

15. U.S. citizenship by marriage:

- (c) A woman acquired U.S. citizenship through marriage to a U.S. citizen before September 22, 1922. Ask for evidence of U.S. citizenship of the husband, and evidence showing the marriage occurred before September 22, 1922.
- (d) If the husband was not a citizen at the time of the marriage, and became naturalized before September 22, 1922, the wife also acquired naturalized citizenship. If the marriage terminated, the wife maintained her citizenship if she was residing in the U.S. at that time and continued to reside in the U.S.

16. Child Citizenship Act of 2000

- (a) Under the CCA, children automatically acquire U.S. citizenship when all of the following conditions are met:
 - At least one parent is a citizen, either by birth or by naturalization,
 - The child is under 18,
 - The child is not married,
 - The child is a lawful permanent resident, and
 - The child is living in the United States in the legal and physical custody of the citizen parent.

If the child is adopted, the adoption must be full and final.

- (b) Children who met the Act's requirements on February 27, 2001 automatically became U.S. citizens as of that date.
- (c) Individuals who were 18 years of age or older on February 27, 2001, or who otherwise did not meet the Act's requirements, do not qualify for automatic citizenship under the CCA. If they wish to become U.S. citizens they must apply with the Bureau of Citizenship and Immigration Services of the Department of Homeland Security. They will receive a certificate of citizenship if they meet the requirements for adult permanent residents.

17. When citizenship is questionable and the applicant has lost his or her original documents, or never had an original document to prove citizenship or naturalization, you may accept:

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 6

120.2 U. S. Citizen or Noncitizen National (continued)

- A written declaration, made under penalty of perjury and possibly subject to later verification of status, from one or more third parties indicating reasonable personal knowledge that the applicant is a U.S. citizens or noncitizen national.

F. Action Pending Verification.

1. The member whose citizenship is questionable is ineligible to participate until proof of U.S. citizenship is obtained.
2. Include the income of the member whose citizenship is questionable, less a pro rata portion. Include all the resources of the member as available to the remaining household members.

120.3 Qualified Immigrants

A. **Except as described in 120.11 - American Indians and Hmong or Highland Laotians, a noncitizen must be both a “qualified” immigrant (alien) and meet certain other eligibility requirements.** A qualified immigrant is:

1. An immigrant lawfully admitted for permanent residence (LPR) under the Immigration and Nationality Act (INA).
2. An immigrant granted asylum under §208 of the INA
3. A refugee admitted under §207 of the INA.
4. An immigrant who is paroled under §212(d)(5) of the INA for a period of at least 1 year
5. An immigrant whose deportation is being withheld under §§243(h) or 241(b)(3) after April 1, 1997 of the INA
6. An immigrant who is granted conditional entry pursuant to §203(a)(7) of the INA
7. Certain battered immigrant spouses and children (see section 120.13)
8. Cuban and Haitian entrants

B. Request Documentation of Immigration Status. The documents that will demonstrate that an applicant is a “qualified immigrant” are:

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 7

120.3 Qualified Immigrants (continued)

1. Alien Lawfully Admitted for Permanent Residence.
 - (a) INS Form I-551 (Alien Registration Receipt Card, commonly known as a "green card"); or
 - (b) Unexpired Temporary I-551 stamp in foreign passport or on INS Form I-94

2. Asylee
 - (a) INS Form I-94 annotated with stamp showing grant of asylum under section 208 of the INA;
 - (b) INS Form I-688 B (Employment Authorization Card) annotated "274a.12(a)(5)";
 - (c) INS Form I-766 (Employment Authorization Document) annotated "A5";
 - (d) Grant letter from the Asylum Office of INS; or
 - (e) Order of an immigration judge granting asylum.

3. Refugee
 - (a) INS Form I-94 annotated with a stamp showing admission under section 207 of the INA;
 - (b) INS Form INS Form I-688 B (Employment Authorization Card) annotated "274a.12(a)(3)";
 - (c) INS Form I-766 (Employment Authorization Document) annotated "A3"; or
 - (d) INS-Form 571 (Refugee Travel Document).

4. Immigrant Paroled into the U.S. for a Period of at Least one Year
INS-Form I-94 with stamp showing admission for least one year under section 212(d)(5) of the INA. (The applicant cannot aggregate periods of admission for less than one year to meet the one year requirement).

5. Immigrant Whose Deportation or Removal was Withheld
 - (a) INS Form I-688B (Employment Authorization Card) annotated "274a.12(a)(10);
 - (b) INS Form I-766 (Employment Authorization Document) annotated "A10"; or
 - (c) Order from an immigration judge showing deportation withheld under section 243(h) of the INA as in effect prior to April 1, 1997, or removal withheld under section 241(b)(3) of the INA.

6. Immigrant Granted Conditional Entry
 - (a) INS Form I-94 with stamp showing admission under section 203(a)(7) of the INA;
 - (b) INS Form I-688 B (Employment Authorization Card) annotated "274a.12(a)(3)"; or
 - (c) INS Form I-766 (Employment Authorization Document) annotated "A3."

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 8

120.3 Qualified Immigrants (continued)

7. Cuban/Haitian Entrant
 - (a) INS Form I-551 (Alien Registration Card) with a code CU6, CU7, or CH6;
 - (b) Unexpired temporary I-551 stamp in a foreign passport or on INS Form I-94 with the code CU6 or CU7; or
 - (c) INS Form I-94 with stamp showing parole as "Cuban/Haitian Entrant" under Section 212(d)(5) of the INA.
8. Immigrant who has been Battered or Subjected to Extreme Cruelty Guidance (See manual section 120.13).

- C. If supported by documents, conclude that the applicant is a "qualified immigrant." If the documentation appears to be genuine and to relate to the individual presenting it, accept the document as conclusive evidence that the applicant is a qualified alien. Do not further verify immigration status with USCIS, except through the Systematic Alien Verification Entitlements (SAVE) procedures.
- D. If, based on documents presented, you conclude that an applicant is not qualified because the document does not appear to be genuine or to relate to the person presenting the document, check with USCIS to verify the information.

Always verify the applicant's status before determining that an applicant is not a qualified immigrant. Do not deny benefits without first verifying the applicant's status.

First, check the status through the USCIS SAVE system. If necessary, initiate secondary procedures by filing with the local USCIS office an USCIS Form G-845 and Supplement along with copies of immigration documents provided by the applicant.

- E. Expired or Absent Documentation
1. If an applicant presents an expired document or is unable to present any documentation to verify his or her immigration status, refer the applicant to the district USCIS office to obtain the documentation.
 2. In unusual cases involving applicants who are hospitalized or disabled, or who can otherwise show good cause for their inability to present the documentation, and for whom securing the documentation would constitute undue hardship, make every effort to help the applicant verify immigration status. If the applicant can provide an alien registration number, file USCIS Form G-845 and the Supplement, along with the registration number and a copy of any expired USCIS document, with the local USCIS office.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 9

120.3 Qualified Immigrants (continued)

3. If an applicant presents a receipt indicating he or she has applied to the USCIS for a replacement document for one of the documents listed above, file USCIS form G-845 and Supplement along with the copy of the receipt with the local USCIS office.

F. Submitting Verification Requests to USCIS

Use USCIS Form G-845, with the supplemental form to obtain more detailed information on immigration status, citizenship, and sponsorship. (Use the supplemental form only in conjunction with Form G-845, not separately.)

Mail to:

United States Citizenship and Immigration Service
31 Hopkins Plaza
Baltimore MD 21201
ATTN: Immigration Status Verifier

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 10

120.4 Immigrants who have lived in the United States for five years

- A. Immigrants who have lived in the US as **qualified immigrants for five years** or more meet immigrant eligibility requirements.
- B. The five-year waiting period begins on the date the immigrant obtains status as a qualified immigrant.
- C. If qualified immigrant status is granted retroactively the retroactive time counts toward the 5-year requirements.
- D. A qualified immigrant who is eligible under 120.5 - asylees, refugees, Amerasians, Cuban/Haitian entrants, trafficking victims and immigrants whose deportation is withheld are eligible.

120.5 Immigrants Eligible during the 5-Year Ban on Immigrant Eligibility

The 5-year waiting period (bar) does not apply to the following immigrants. Immigrants who:

- A. Were admitted under §207 of the INA as a refugee,
- B. Were a victim of severe trafficking in persons,
- C. Were granted asylum under §208 of the INA,
- D. Had deportation or removal withheld under §§243(h) or 241(b)(3) of the INA,
- E. Were admitted as a Cuban and Haitian immigrant as defined in §501(e) of the Refugee Education Assistance Act of 1980, or
- F. Were admitted as an Amerasian pursuant to §584 of the Foreign Operations, Export, Financing, and Related Programs Appropriations Act of 1988.

120.6 Immigrant Children

- A. Qualified immigrant children, who are under 18 years of age, are eligible for food the FSP, regardless of how long they have been in the US.

Example: Child A is an LPR and is age 17. He may receive FS benefits until he turns age 18, then he is ineligible, unless he has been in the country for 5 years or more.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 11

120.6 Immigrant Children (continued)

- B. Sponsor deeming requirements do not apply to sponsored children who are younger than 18 years old.
Reminder: Do not count the deemed income or resources of a sponsor as available to any immigrant who is not eligible for FS.
- C. Prorate the income and resources of an immigrant child's parents who are not part of the FS household as available to the child.
- D. Except for American Indians and Hmong or Highland Laotians, children who are not qualified immigrants are not eligible for FS.
- E. Case managers must track the age of immigrant children when an immigrant child receiving FS will turn 18 during the certification period.
- F. Before removing an immigrant child from the FS when the child turns 18 re-evaluate the FS eligibility to determine if the child continues to be eligible.
- G. An immigrant child turning 18 may continue to receive TCA but may not be eligible for FS because the child has not been in the US for 5 years.

Example 1: John Smith moved to the United States with his parents and sister in June 2002. The children received FS as qualified immigrant children, even though the parents were not eligible. John turned 18 March 2005 and is no longer eligible for FS because he has not been in the United States for at least five years.

Example 2: Mrs. Jones gets TCA for her 17-year old and 5-year old grandchildren. The children were admitted as legal permanent residents March 2003. Mrs. Jones has lived in the United States as a qualified immigrant since March 1997 and gets SSI. They were all found to be eligible for food stamps in October 2004 and certified for 6 months beginning in October. In January, the older grandchild turned 18. The case manager sets up an alert as a reminder to remove the child from the FSP household. The grandchild is no longer eligible for FSP benefits but still meets the TCA eligibility requirements.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 12

120.7 Disabled immigrants

Disabled immigrants who are receiving payments or assistance for blindness or disability (as described below) regardless of date of entry or when they became disabled are eligible for FS. For the purposes of these provisions, a disabled individual is one of the following:

- A. A person who receives Supplemental Security Income (SSI) under title XVI of the Social Security Act, or federally or State administered supplemental benefits of the type described in section 212(a) of Public Law 93-66.
- B. A person who receives federally or State administered supplemental assistance of the type described in section 1616(a) of the Social Security Act, interim assistance pending receipt of SSI, disability-related medical assistance, or disability-related general assistance under title XIX of the Social Security Act. Immigrants who receive Public Assistance to Adults (PAA) and TDAP recipients who receive Medical Assistance fall under this category.
- C. A person who receives disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act or receives disability retirement benefits from a governmental agency because the disability is considered permanent under section 221(i) of the Social Security Act
- D. A person who receives an annuity under section 2(a)(1)(iv) of the Railroad Retirement Act of 1974 and is determined eligible to receive Medicare by the Railroad Retirement Board; or section 2(a)(1)(v) of the Railroad Retirement Act of 1974 and is determined to be disabled based upon criteria under title XVI of the Social Security Act.
- E. A veteran who:
 1. Has a service connected or non-service-connected disability that is rated total, or
 2. Is considered in need of regular aid and attendance or permanently housebound.
- F. A surviving spouse of a veteran and:
 1. Is considered in need of regular aid and attendance or permanently housebound, or
 2. Is entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under title 38, USC, and has a disability considered permanent

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 13

120.7 Disabled immigrants (continued)

G. A child of a veteran and:

1. Is considered permanently incapable of self-support, or
2. Is entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under title 38, United States Code, and has a disability considered permanent.

Example: Mr. and Mrs. A are legal permanent residents (LPR) and receive SSI. They have lawfully lived in the U.S. since 1990. They are eligible to receive federal Food Supplement Program (FSP) benefits if they meet all other eligibility requirements.

Example: Mr. D has been an LPR since 1989. In February 1998 he began receiving SSI. He is eligible for federal FSP benefits if he meets all other eligibility requirements.

120.8 Elderly Immigrants Lawfully residing in the US on August 22, 1996

Elderly qualified immigrants (see section 120.3) who were lawfully residing in the United State on or before August 22, 1996 and who were 65 years of age or older (born on or before 8/22/31) on August 22, 1996 are eligible for FSP benefits.



Examples:

Mr. B was born 5/05/30. He was an LPR on August 22, 1996. He is eligible for FSP benefits.

Mrs. C was born 2/20/29. She was admitted to the U.S. as an LPR on October 3, 2003. She does not meet the criteria for FSP eligibility.

120.9 Work Quarters

An immigrant lawfully admitted for permanent residence as defined in Section 101(a)(2) of the Immigration and Nationality Act (INA) and can be credited with at least 40 quarters of qualified work.



- A. This includes earnings reported to the Social Security Administration and earnings not reported to the Social Security Administration if the individual can verify the earnings.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 14

120.9 Work Quarters (continued)

- B. A qualifying quarter includes one worked by a parent of an immigrant before the date on which the child turned age 18 and a quarter worked by a spouse during the marriage if the immigrant remains married to the spouse or the spouse is deceased.
- C. If a husband and wife both worked, combine the quarters worked during the marriage if they remain married or if the spouse is deceased.
- D. Beginning January 1, 1997, do not count a quarter in which the immigrant received any federal means-tested public benefit as a qualifying quarter. Federal means-tested programs are Medical Assistance (including MA for Pregnant Women and Children and Maryland Children's Health Program), Temporary Cash Assistance, Supplemental Security Income, and the Food Supplement Program. This also applies to crediting a parent's or spouse's quarters if the parent or spouse received a means-tested benefit.

The case manager must evaluate quarters of coverage and receipt of federal means-tested benefits on a calendar year basis as follows:

1. Determine the number of quarters creditable in a calendar year.
2. Identify those quarters after January 1, 1997, in which the immigrant, or spouse or parent of the immigrant received a means-tested benefit.
3. Remove the quarters from the number of quarters of coverage earned or credited to the immigrant in that calendar year.

Exception: If the immigrant earns the 40th quarter of coverage prior to applying for FSP benefits or any other means-tested benefit in that same quarter, allow that quarter toward the 40 qualifying quarters total.

120.10 Military Connection



A veteran or person on active duty in the U.S. armed forces or spouse or unmarried dependent child of a veteran or person on active military duty.

- A. The veteran or active duty person can be a citizen or an immigrant.
- B. Definition of Dependent child. A dependent child of a veteran is an unmarried biological or legally adopted dependent child who is:
 1. 17 years old or younger
 2. 21 years old or younger and a full time student, or

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 15

120.10 Military Connection (continued)

3. Disabled and 18 years old or older if the child was disabled and dependent on the individual described in A prior to the child's 18th birthday.
This definition also includes a child of a deceased veteran parent if the child was dependent on the parent prior to the child's 18th birthday.
- C. The following categories of immigrants with a military connection are eligible for an unlimited period:
1. An immigrant lawfully admitted for permanent residence under the Immigration and Nationality Act (INA).
 2. An immigrant granted asylum under §208 of the INA
 3. A refugee admitted under §207 of the INA.
 4. An immigrant who is paroled under §212(d)(5) of the INA for a period of at least 1 year
 5. An immigrant whose deportation is being withheld under §§243(h) or 241(b)(3) after April 1, 1997 of the INA
 6. An immigrant who is granted conditional entry pursuant to §203(a)(7) of the INA
 7. Certain battered alien spouses and children. The non-abusive parent of a battered child may also be eligible. The battered individual must provide verification of being battered and of having petitioned USCIS for permanent residence status. Any reasonable evidence of battery is sufficient, including police reports, information from medical or school personnel, or photographs. The battered individual also has to verify that he or she no longer lives in the same household as the batterer.
- D. A veteran must have met the minimum active-duty service requirements of 24 months or the period for which the person was called to active duty.
- E. The definition of veteran includes military personnel who served before July 1, 1946, in the organized military forces of the Government of the Commonwealth of the Philippines while the forces were in the service of the Armed forces of the United States, or in the Philippine Scouts.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 16

120.10 Military Connection (continued)

F. A surviving spouse of a deceased veteran or individual on active duty is eligible, provided the spouse has not remarried and the marriage meets certain requirements. They must have been married:

1. For at least one year, or
2. Before the end of a 15-year time span following the end of the period of military service in which the injury or disease was incurred or aggravated, or
3. For any period if a child was born of the marriage or before the marriage.

G. Verification

1. Honorably Discharged Veterans

- (a) A discharge certificate, DD Form 214 or equivalent, that shows active duty in the Army, Navy, Air Force, Marine Corps, or Coast Guard and character of discharge "Honorable" is acceptable to qualify for the veteran exemption without further inquiry unless the certificate appears to be altered.
- (b) A discharge certificate that shows character of discharge as anything but "Honorable" is not acceptable for purposes of this exemption. Do not refer them to the Veterans Administration (VA).
- (c) Character of discharge "Under Honorable Conditions" is **not** an "Honorable" discharge for these purposes.
- (d) If a discharge certificate that shows "Honorable" and any branch of service other than the Army, Navy, Air Force, Marine Corps, or Coast Guard or any other type of duty, refer to the local VA regional office for a determination of veteran status.
- (e) If veteran status is claimed but the individual has no papers showing service or discharge, refer the inquiry to the local VA regional office.
- (f) If a discharge certificate, DD Form 214 or equivalent, shows an original enlistment in the Army, Navy, Air Force, Marine Corps, or Coast Guard before September 7, 1980, there is no minimum active-duty service requirement. If a discharge certificate shows two or more years of continuous active duty in the Army, Navy, Air Force, Marine Corps, or Coast Guard, the individual meets the minimum active-duty service requirement. If a discharge certificate is not available or if it shows active-duty service of less than two years with an original enlistment after September 7, 1980, refer the inquiry to the VA regional office.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 17

120.10 Military Connection (continued)

- (g) Applications for exemption based on status as a spouse, unmarried dependent child, or unremarried surviving spouse of an honorably discharged veteran require a determination of the veteran's status and a determination that the applicant is a spouse or child. Status of the veteran may be established using the discharge certificate. If the applicant is not in possession of a discharge certificate, refer the question of veteran status to the VA for a determination. Verify marriage and dependency if questionable.
- (h) Applications for exceptions based on status as an unremarried surviving spouse of a veteran or active-duty personnel further require the following findings, in addition to a determination that the spouse has not remarried:
 - (i) That the surviving spouse was married to the veteran or active-duty personnel within 15 years after the termination of the period of service in which the injury or disease causing the death of the veteran was incurred or aggravated;
 - (ii) That the surviving spouse was married to the veteran or active-duty personnel for one year or more; or
 - (iii) That a child was born of the relationship between the surviving spouse and the veteran or active-duty personnel, either during or before the marriage.

2. Members on Active Duty

- (a) Active duty as a member of the Armed Forces means an individual is on full time duty in the U.S. Army, Navy, Air Force, Marine Corps, or Coast Guard. It does not include full time National Guard Duty.
- (b) Service members on active duty shall establish their status by presenting a current Military Identification Card, DD Form 2 (Active), that lists an expiration date of more than one year from the date of the determination.
- (c) If the Military Identification Card is due to expire within one year from the date of the determination, ask the individual to provide a copy of his or her current military orders. If the individual cannot provide the orders, active duty may be verified through the nearest RAPIDS (Real Time Automated Personnel Identification System) or by notifying the following office in writing or by fax: DEERS Support Office, ATTN: Research and Analysis, 400 Gigling Road, Seaside California 93955-6771. Fax Number: 408-655-8317.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 18

120.10 Military Connection (continued)

3. Reserve Members

- (a) "Active duty for training" is temporary full-time duty in the Armed Forces performed by members of the Reserves, Army National Guard, or Air National Guard for training and does not establish eligible status. However, a discharge from active duty for training may establish veteran status and should be referred to VA for a determination.
- (b) A Member of a Reserve Component shall establish status by showing a current DD Form 2 (Reserve), and military active duty orders showing the individual is on active duty, but not on active duty for training. This is the only method for verifying this status.

4. Spouse, Children, or Unremarried Surviving Spouse of Active Duty Members or Veterans

- (a) Step 1: Establish that the individual is a spouse, dependent child or unremarried surviving spouse of an active duty member or veteran.
 - (i) If questionable, verify the relationship with a marriage license and/or birth certificate. Consider as evidence of marriage the possession of a current Military Identification Card showing that the individual is married to a veteran or active duty member. Possession of a Military ID may also be considered evidence that a child is dependent on a veteran or active duty member of the Armed Forces for his or her support and is under age 18 or if a full time student, under age 22.
 - (ii) In making the determination as to whether an individual is an unremarried surviving spouse of an active duty member or a veteran the local department must determine that the surviving spouse has not remarried and the following:
 - (iii) That the surviving spouse was married to the veteran or active-duty personnel within 15 years after the termination of the period of service in which the injury or disease causing the death of the veteran was incurred or aggravated;
 - (iv) That the surviving spouse was married to the veteran or active-duty personnel for one year or more; or
 - (v) That a child of the surviving spouse and the veteran or active-duty personnel was born either during or before the marriage.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 19

120.10 Military Connection (continued)

- (b) Step 2: Determine that the member is on active duty or a veteran.
- (i) A spouse or child in possession of a current Military Identification Card, with an expiration date of more than one year from the date of its presentation presumptively meets the active duty requirement for his or her spouse or parent respectively.
 - (ii) If the Military Identification Card is due to expire within one year, the spouse or child must provide a copy of the current military orders for his or her spouse or parent to establish the active duty status of the service member. If married to a reserve member or if an unmarried child of a reserve member, the orders must show that the service member is on active duty and not on active duty for training.
5. If the dependent cannot provide the military orders, status may be verified through the nearest RAPIDS or by notifying the following office in writing or by fax: DEERS Support Office, ATTN: Research and Analysis, 400 Gigling Road, Seaside California 93955-6771. Fax Number: 408-655-8317.
 6. A spouse or child showing a discharge certificate, DD Form 214 or equivalent, that shows active duty in the U.S. Army, Navy, Air Force, Marine Corps, or Coast Guard and character of discharge "Honorable" has provided acceptable evidence to establish the veteran status of a spouse or parent. If it appears the certificate is altered further inquiry is needed. If veteran status is claimed, but the spouse or child does not have papers showing service or discharge, refer to the local VA regional office for a determination.

120.11 American Indians and Hmong or Highland Laotians

The following immigrants are eligible for an indefinite time, even if they are not qualified immigrants:

- A. American Indians born in Canada to whom the provisions of section 289 of the Immigration and Nationality Act apply and members of an Indian tribe as defined in section 4(e) of the Indian Self-determination and Education Assistance Act. This provision was intended to cover Native Americans who are entitled to cross the United States border into Canada or Mexico.
- C. Individuals who are lawfully residing in the United States and were members of a Hmong or Highland Laotian tribe at the time that the tribe rendered assistance to the United States personnel by taking part in a military or rescue operation during

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 20

120.11 American Indians and Hmong or Highland Laotians (continued)

the Vietnam era beginning August 5, 1964 and ending May 7, 1975. The spouse or unremarried surviving spouse and unmarried dependent children may also be eligible for FSP benefits.

D. Definition of Dependent Child. A dependent child of a Hmong or Highland Laotian is an unmarried biological or legally adopted dependent child who is:

1. 17 years old or younger
2. 21 years old or younger and a full time student, or
3. Disabled and 18 years old or older if the child was disabled and dependent on the individual described in A prior to the child's 18th birthday.

This definition also includes a child of a deceased Hmong or Highland Laotian parent if the child was dependent on the parent prior to the child's 18th birthday.

120.12 Immigrants who are Victims of Severe Trafficking in Persons

A. The Office of Refugee Resettlement (ORR) has certified a number of individual immigrants as adult victims of a severe form of trafficking. These individuals are eligible to apply for public benefits and services to the same extent as refugees, per Public Law 1063-386 Trafficking Victims Protection Act of 2000.

B. When a victim of a severe form of trafficking applies for benefits, the local department should follow their normal procedures for refugees **except agencies should:**

1. Accept the original certification letter or letter for children in place of USCIS documentation. Victims of severe forms of trafficking are not required to provide any documentation regarding immigrant status. (Do use SAVE.)
2. Call the trafficking verification line at (202) 401-5510 to confirm the validity of the certification letter or similar letter for children and to notify ORR of the benefits for which the individual as applied.
3. Note the "entry date" for refugee benefits purposes. The individual's "entry date" for refugee benefits purposes is the certification date, which appears in the body of the certification letter or letter for children.
4. Issue benefits to the same extent as a refugee, provided the victim of a severe form of trafficking meets other program eligibility criteria.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 21

120.12 Immigrants who are Victims of Severe Trafficking in Persons (continued)

5. Record the expiration date of the certification letter or letter for children so that benefit-granting agencies will be prepared to conduct re-determinations of eligibility at that time.

120.13 Immigrants who have been Battered or Subjected to Extreme Cruelty

Certain categories of immigrants who have been subjected to battery or extreme cruelty in the United States by a family member with whom they live are considered qualified immigrants. An immigrant whose child or an immigrant child whose parent has been abused is also a qualified immigrant. Additionally, other sections of the legislation exempt this group from the deeming requirements for a period of one year, or longer in certain circumstances. Section II of Information Memo 99-51- Guidance for Verification of Immigrant Status includes detailed information about the documentation available to battered immigrants.

Reminder: Status as a battered immigrant will make the battered applicant, the battered applicant's children or the parent of a battered child a qualified immigrant and eligible for certain public benefits. It will not make them eligible for all federal public benefits. An applicant who is a qualified immigrant must meet the eligibility criteria for the Food Supplement Program.

A. Procedures for Determining Qualified Immigrant Status under this Provision:

An immigrant is a qualified alien under this provision if he or she meets **all** of the following four requirements:

1. Requirement 1: Appropriate USCIS Status.
 - (a) Determine that the USCIS or the Executive Office for Immigration Review (EOIR), as applicable:
 - (i) Has approved an applicant's petition or application filed by or on behalf of the immigrant the immigrant's child or the parent of an immigrant child, or
 - (ii) Has found that the applicant has provided adequate evidence to establish extreme cruelty or abuse (prima facie case) under one of the provisions of the INA.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 22

120.13 Immigrants who have been Battered or Subjected to Extreme Cruelty (continued)

(b) Documentation.

Ask the immigrant to provide documentation demonstrating his or her immigration status. See Information Memo 99-51 for detailed information about documents.

(c) Because of the nature of abusive relationships, applicants may not have copies of the documents that have been filed by them or on their behalf.

(i) If the applicant has some documentation, but it is insufficient to demonstrate filing, establishment of a prima facie case or approval of a petition, fax the USCIS Request Form (Info Memo 99-51) to the USCIS Vermont Service Center.

(ii) If the applicant has no documentation but is certain his or her spouse or parent filed a petition, fax the USCIS Request Form to the USCIS Vermont Service Center.

(iii) If the applicant has no documentation and is uncertain whether a petition has been filed on his or her behalf, refer the individual to the National Domestic Violence Hotline.

(d) Without having filed a petition, but with facts indicating a basis to file, refer the applicant to the USCIS forms request line and to the National Domestic Violence Hotline.

2. Requirement 2: Battered or Subjected to Extreme Cruelty.

(a) Determine whether an applicant, his or her child, or, in the case of an immigrant child, his or her parent, has been subjected to extreme cruelty (as defined below) as follows:

(i) In the case of an immigrant: the abused immigrant has been battered or subjected to extreme cruelty in the U.S. by a spouse or parent of the immigrant, or by a member of the spouse or parent's family residing in the same household as the immigrant, if the parent or spouse consents to or acquiesces in the battery or cruelty.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 23

120.13 Immigrants who have been Battered or Subjected to Extreme Cruelty (continued)

- (ii) When the immigrant's child is abused: the immigrant's child has been battered or subjected to extreme cruelty in the U.S. by a spouse or parent of the immigrant, or by a member of the spouse or parent's family residing in the same household if the spouse or parent consents to or acquiesces in the battery or cruelty, and the immigrant did not actively participate in the battery or cruelty;
- (iii) When the immigrant child's parent is abused: the immigrant child's 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 household as the parent, if the spouse consents or acquiesces in the battery or cruelty;

Note: Some applicants may possess documents demonstrating that they have been admitted to the United States because of battery or extreme cruelty that occurred outside the U.S. This is insufficient by itself to make them eligible for benefits under this section.

(b) Definitions of Battery, Extreme Cruelty and Family Member.

- (i) The phrase "battered or extreme cruelty" includes, but is not limited to, being the victim of any act or threatened act of violence, including any forceful detention, which results or threatens to result in physical or mental injury. Psychological or sexual abuse or exploitation, including rape, molestation or incest (if the victim is a minor), or forced prostitution are considered acts of violence. Acts or threatened acts that may not initially appear to be violent may be part of an overall pattern of violence. This is a broad, flexible definition that encompasses all types of battery and extreme cruelty.
- (ii) Regard as acts of violence the above actions whenever they occur, so long as one or more acts of violence take place in the United States and while the family relationship between the abuser and the victim exists.
- (iii) The phrase "member of the spouse or parent's family" means any person related by blood, marriage, or adoption to the spouse or parent of the immigrant, or any person having a relationship to the spouse or parent that is covered by the civil or domestic violence statutes of the State where the immigrant lives, or the State in which the immigrant,

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 24

120.13 Immigrants who have been Battered or Subjected to Extreme Cruelty (continued)

the immigrant's child or the immigrant child's parent received a protection order.

- (c) Applicant with EOIR Order or Approved USCIS Petition or Other Court Order Based on Battery
 - (i) Applicants with approved petitions meet the requirement of demonstrating battery or extreme cruelty.
 - (ii) A protection order or record of criminal conviction against the appropriate family member satisfies the battery or extreme cruelty requirement.
 - (iii) All other applicants must provide evidence of abuse. Consider any credible evidence provided by the applicant.

- 3. Requirement 3: Substantial Connection Between Battery and the Need for Benefits.
 - (a) Determine whether there is a substantial connection between the battery or extreme cruelty and the need for the public benefit for which the immigrant applied. This requirement is not satisfied simply by a determination that an applicant has been subjected to battery or extreme cruelty. The following situations are provided as guidance in making substantial connection determinations:
 - (i) Where the benefits are needed to enable the immigrant or the immigrant's child to become self-sufficient following separation from the abuser;
 - (ii) Where the benefits are needed to enable the immigrant or the immigrant's child to escape the abuser or community in which the abuser lives, or to ensure the safety of the immigrant or the immigrant's child from the abuser;
 - (iii) Where the benefits are needed due to a loss of financial support resulting from the separation of the immigrant or the immigrant's child from the abuser;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 25

120.13 Immigrants who have been Battered or Subjected to Extreme Cruelty (continued)

- (iv) Where the benefits are needed because the battery or cruelty, separation from the abuser, or work absence or lower job performance resulting from the abuse or from legal proceedings related to the abuse cause the immigrant or the immigrant's child to lose his or her job or require the immigrant or the immigrant's child to leave a job for safety reasons;
 - (v) Where the benefits are needed because the immigrant or the immigrant's child requires medical attention or mental health counseling, or has become disabled, as a result of the battery or extreme cruelty;
 - (vi) Where the benefits are needed because the loss of a dwelling or source of income or fear of the abuser following separation from the abuser jeopardizes the immigrant's ability to care for his or her children;
 - (vii) Where the benefits are needed to alleviate nutritional risk or need resulting from the abuse or following separation from the abuser
 - (viii) Where medical coverage or health care services are needed to replace medical coverage or health care services the applicant or child had when living with the abuser.
4. Requirement 4: Battered Applicant no Longer lives in the Same Household with the Batterer.
- (a) Before providing benefits, you must first determine that the battered applicant, child or parent no longer resides in the same household or family eligibility unit as the batterer. Although an applicant is not a qualified alien eligible for benefits until the battered immigrant or child, or parent leaves the home of the abuser, an applicant may need assurances of the availability of benefits in order to leave the batterer and survive independently.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 26

120.13 Immigrants who have been Battered or Subjected to Extreme Cruelty (continued)

(b) Consider any credible evidence supporting the claim of non-residency, including, but not limited to, any of the following:

- (i) A civil protection order requiring the batterer to stay away from the immigrant or immigrant's child, or evicting the batterer from the applicant's residence,
- (ii) Employment records,
- (iii) Utility receipts,
- (iv) School records,
- (v) Rental records,
- (vi) Hospital or medical records,
- (vii) Affidavit from a staff member at a shelter for battered women, friends or other third parties who know of the situation, or from the battered applicant.

B. Exemptions from Deeming Requirements for Battered Immigrants

1. Federal rules provide an exception from sponsor deeming for certain battered spouses and children. It allows for a one-year exception from the deeming provisions for LPR spouses and children who have been battered or subjected to extreme cruelty in the United States by their spouses or parents, or by another family member residing in the household who was allowed to commit the acts. The battery or cruelty must have a substantial connection to the need for the public benefits. The spouse or child subjected to cruelty must not be living with the person who committed the abusive acts.
2. The battered spouse exception may extend beyond the initial one-year period, if the USCIS, a judge or an administrative law judge formally recognize that the battery or extreme cruelty occurred. The local department must also determine that the abuse continues to have a connection with the spouse or child's need for benefits.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 27

120.14 Verification of Immigration Status

A. Based on the application, determine if members identified as a non-citizen are eligible by requiring verification for each immigrant member.

B. Documentary Evidence Of Status For FSP Eligibility

1. General Information

(a) Under the INA, all immigrants over the age of 14 who remain in the U.S. for more than 30 days are required to register with the Immigration and Naturalization Service and obtain an alien registration document.

(b) Immigrants over the age of 18 who receive a registration document are required to carry it at all times, with certain exceptions (e.g., Canadian visitors).

(c) Immigrants entering the U.S. are normally issued a registration document on entry.

(d) The documents listed below that are registration documents are indicated with an asterisk (*). The documents listed below demonstrate lawful status, and you should not require presentation of a registration document if the applicant presents one of the other legally acceptable documents that reasonably appears to be genuine.

(e) If the document is questionable because it does not appear to be genuine, or does not relate to the person presenting it, ask the applicant to produce his or her registration document as additional evidence of immigration status.

Note:

The request for additional documentation cannot be made for a discriminatory reason.

2. Immigrant Lawfully Admitted for Permanent Residence (LPR) who has worked or can be credited with 40 qualifying quarters or who is otherwise eligible.

(a) LPR documents

(i) *INS Form I-551 (Alien Registration Receipt Card, commonly known as a "green card"); or

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 28

120.14 Verification of Immigration Status (continued)

- (ii) Unexpired Temporary I-551 stamp in foreign passport or on INS Form I-94.
- (b) 40 Qualifying Quarters:
 - (i) If 40 qualifying quarters of coverage are needed for a permanent resident immigrant to qualify, verify through the Quarters of Coverage History System (QCHS) in the State Verification Exchange System (SVES).
 - (ii) Make sure the SSA Consent for Release of Information is on file in the case record when requesting a QC history for Social Security numbers that are not assigned to the applicant (i.e. parent or spouse of the applicant).
 - (iii) **DO NOT send the customer directly to the SSA office for this information.**
- (c) LPR who is Otherwise Eligible

An LPR who does not have 40 qualifying quarters is eligible if he or she:

- (i) Originally entered the U.S. as a refugee, was granted asylum, or had his or her deportation or removal withheld within the period of time appropriate to each program requirement.
- (ii) If the applicant states he or she was admitted as a refugee, review the INS Form I-551 for code RE-6, RE-7, RE-8, or RE-9. Determine the date of admission from the date on the card.
- (iii) If an applicant states he or she was granted asylum or had deportation or removal withheld, file INS form G-845 along with a copy of the I-551.
- (iv) Is an honorably discharged veteran who fulfilled minimum active duty service requirements, or is a person on non-training active duty or is the spouse, dependent child, or unremarried spouse. Ask for documentation from the Veteran's Administration or the Department of Defense.

3. Asylee

- (a) *INS Form I-94 annotated with stamp showing grant of asylum under section 208 of the INA
- (b) *INS Form I-688 B (Employment Authorization Card) annotated "274a.12(a)(5)"
- (c) INS Form I-766 (Employment Authorization Document) annotated "A5"

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 29

120.14 Verification of Immigration Status (continued)

- (d) Grant letter from the Asylum Office of INS; or
- (e) Order of an immigration judge, granting asylum.
- (f) To determine the time limit for the applicable program: The INS form I-94, the INS grant letter, and court order will each include the date the asylee's status was obtained. If the applicant cannot provide any of these documents, file an INS form G-845 and Supplement along with a copy of pertinent documents.

4. Refugee

- (a) *INS Form I-94 annotated with a stamp showing admission under section 207 of the INA;
- (b) INS Form I-688 B (Employment Authorization Card) annotated "274a.12(a)(3)"
- (c) *INS Form I-766 (Employment Authorization Document) annotated "A3"
- (d) INS-Form 571 (Refugee Travel Document)
- (e) To determine the time limit for the applicable program: The date of the inspection on the refugee stamp on the INS form I-94 indicates the date of admission as a refugee. If the date is missing or applicant cannot provide an I-94, file an INS Form G-845 and Supplement along with a copy of pertinent documents.

5. Immigrant Whose Deportation or Removal was Withheld

- (a) *INS Form I-688B (Employment Authorization Card) annotated "274a.12(a)(10)"
- (b) INS Form I-766 (Employment Authorization Document) annotated "A10"
- (c) Order from an immigration judge showing deportation withheld under section 243(h) of the INA as in effect prior to April 1, 1997, or removal withheld under section 241(b)(3) of the INA
- (d) To determine the time limit for the applicable program: The court order will include the date the deportation was withheld. If the applicant does not present a court order, file an INS form G-845 and Supplement along with a copy of pertinent documents.

6. Cuban/Haitian Entrant

- (a) *INS Form I-551 (Alien Registration Card) with a code CU6, CU7, or CH6
- (b) Unexpired temporary I-551 stamp in a foreign passport or on INS Form I-94 with the code CU6 or CU7, or

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 30

120.14 Verification of Immigration Status (continued)

- (c) *INS Form I-94 with stamp showing parole as "Cuban/Haitian Entrant" under Section 212(d)(5) of the INA.
- (d) To determine the time limit for the applicable program: The I-551 or the date of inspection on the stamp on INS form I-94 will indicate the date status was granted. If the date is missing, on form I-94, file an INS form G-845 and Supplement along with a copy of pertinent documents.

7. Amerasian Immigrants

- (a) *INS Form I-551 with the code AM6, AM7, or AM8,
- (b) Unexpired temporary I-551 stamp in foreign passport, or
- (c) *INS Form I-94 with unexpired stamp with code AM1, AM2, or AM3.
- (d) To determine the time limit for the applicable program: The date on the INS Form I-551 or the date of inspection on the stamp on the INS Form I-94 will indicate the date of admission. If the date is missing on the I-94, file a G-845 and Supplement, along with a copy of the pertinent documents.

8. Section 289 Exception

- (a) Section 289 of the INA allows certain American Indians born in Canada to enter the U.S. freely.
- (b) Section 289 immigrants do not have to be qualified immigrants for this exception to apply and they may or may not carry evidence of alien registration.
- (c) Since section 289 immigrants do not have to be qualified immigrants and may or may not have evidence of alien registration, the document requirements are somewhat different. The following documents verify the status of section 289 immigrants:
 - (i) An unexpired I-551 with the code S13.
 - (ii) An unexpired temporary I-551 stamp in a Canadian passport or on I-94 with the code S13, or
 - (iii) A letter of other tribal document certifying at least 50 percent Indian blood as required by section 289 of the Act, combined with a birth certificate or other evidence of birth in Canada.

9. Members of Indian tribes

- (a) An immigrant may be eligible because he or she is a member of an Indian tribe, regardless of whether the applicant is a qualified immigrant.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 31

120.14 Verification of Immigration Status (continued)

- (b) If an applicant claims to be eligible on this basis, request the applicant to present a membership card or other tribal document demonstrating membership in an Indian tribe.
- (c) If an applicant has no documentation of tribal membership, the local department should contact the Indian tribe for verification.

10. Hmong and Highland Laotians

- (a) Verification of eligibility should only be undertaken if the tribal member is not a citizen and is not eligible under any other immigrant category, unless the verification is necessary to determine eligibility of other household members or applicants who are applying as a separate household from the tribal member to whom they are related.
- (b) A Hmong or other Highland Laotian who is not a U. S. citizen is eligible to receive FSP benefits if the individual meets the normal FSP financial and work requirements, and:
 - (i) Is legally residing in the United States;
 - (ii) Was born before 5/8/75;
 - (iii) Was born in Laos (or another country with Hmong or other Highland Laotian populations and can give a reasonable explanation as to why he or she was not born in Laos (the countries include Thailand, Cambodia, China, Vietnam, Philippines, Indonesia, Hong Kong, Malaysia, and Singapore));
 - (iv) Has a refugee code RE1, RE2, RE3, RE6, RE7, R86, IC6, or IC7, or can give a reasonable explanation of his or her immigration to the U.S. (for example, sought asylum in another country and later immigrated to the U.S.);
 - (v) Entered the U.S. in April 1975 or later (or can give a reasonable explanation for having entered before that, such as came here as a student, for military training, to escape the war, and so on); and
 - (vi) Signs an affidavit swearing under penalty of law that he or she was a member of a Hmong or Highland Laotian tribe between 8/5/64 and 5/7/75.
- (c) A member of a Hmong or Highland Laotian tribal member's family who is not a U. S. citizen is eligible for FSP benefits if the individual meets the regular FSP work and financial eligibility requirements, and:
 - (i) Is also a tribal member; or

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 32

120.14 Verification of Immigration Status (continued)

- (ii) Is the spouse, unremarried widow or widower of a tribal member who has died, or unremarried dependent child of a tribal member, and verifies status as a member of the tribal member's family.

Note:

- Divorced spouses do not qualify as family members.
- A member of the family of a tribal member who has died need not show that the tribal member was legally residing in the U.S.

11. Qualified Immigrants Lawfully Residing in the United States on August 22, 1996.

- (a) Certain immigrants, if qualified, are eligible for FSP benefits if they were residing in the U.S. on August 22, 1996.

(b) Verification of Lawful Residence

- (i) If the case manager verifies that an immigrant was qualified on August 22, 1996, it is not necessary to perform further verification of lawful residence.
- (ii) If the immigrant was not a qualified alien on August 22, 1996, or was a qualified alien on the basis of being battered, the case manager must verify that the immigrant was:
- Lawfully present on that date by checking the immigrant's INS status at that time (see attached chart), and
 - In the U.S. on that date by reviewing proof of residence.

C. If the INS form presented by the immigrant does not bear annotations needed to verify eligibility, and the individual can provide no other document, advise the immigrant:

1. To obtain from INS Form G-641, Application for Verification of Information from U.S. Citizenship and Immigration Services (USCIS) Records. Once completed by USCIS, accept this form when presented by the immigrant as evidence of status when properly annotated at the bottom by an USCIS representative;
2. If appropriate, that the individual may be eligible if acceptable verification is obtained; or

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 33

120.14 Verification of Immigration Status (continued)

3. That the immigrant may contact USCIS or otherwise obtain the necessary verification, or if the immigrant wishes and signs a written consent, the local department will contact USCIS to obtain clarification of the immigrant's status.

120.15 Responsibility of the Local DSS to Obtain Verification

- A. If an immigrant is unable or unwilling to provide a USCIS document or other acceptable verification showing immigrant status, the individual is ineligible. Do not continue efforts to obtain documentation.
- B. The responsibility of the local department exists only when the immigrant has an USCIS document that does not clearly indicate eligible or ineligible immigrant status.
- C. Do not contact USCIS to obtain information about the immigrant's correct status without the individual's written consent. If the customer refuses to allow USCIS to be contacted he is not eligible for FS.

120.16 Status of Household while Awaiting Verification of Eligible Immigrant Status

- A. While awaiting acceptable verification, an immigrant is ineligible until acceptable documentation is provided unless:
 1. The local department has submitted a copy of a document provided by the household to USCIS for verification;

Do not delay, deny, reduce or terminate the individual's eligibility for benefits on the basis of immigration status.

2. The applicant or local department has submitted a request to the Social Security Administration for information regarding the number of creditable quarters of work, SSA has responded that the immigrant has fewer than 40 quarters, and the individual provides documentation from SSA that SSA is conducting an investigation to determine if more quarters can be credited; or

If SSA indicates that the number of qualifying quarters that can be credited is under investigation, the local department must certify the individual pending the results of the investigation for up to 6 months from the date of the original determination of insufficient quarters.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 34

120.16 Status of Household while Awaiting Verification of Eligible Immigrant Status (continued)

3. The applicant or local department has submitted a request to a federal agency for verification of information that has a bearing on the individual's immigrant status.
- B. Certify the individual pending the results of the investigation for up to six months from the date of the original request for verification.
- C. When an immigrant in the household is ineligible, determine the eligibility of the remaining household members. Treat income and resources in the same manner as an ineligible immigrant as described in section 108.5.
- D. If the local department subsequently receives verification of eligibility, act on the information as a reported change in household composition.
- E. The local department must give immigrant applicants a reasonable opportunity to submit acceptable documentation of their immigrant status as of the 30th day following the date of application. This means the local department must give the immigrant at least 10 days from the date of the request for verification.

120.17 Ineligible immigrants

- A. Ineligible immigrants include all other immigrants. For example:
 1. Visitors, tourists, students, and diplomats,
 2. Those admitted under color of law,
 3. Immigrants who have applied for eligible status but who have not been approved (except for battered spouses and children with a military connection), and
 4. Immigrants who have a questionable or unverified status.
- B. An immigrant can apply on behalf of other people in the household. Under federal law, you may only verify the immigration status of the people who will actually receive benefits.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 35

120.18 Reporting Illegal Immigrants

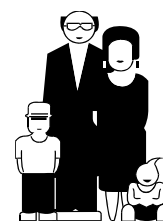
- A. Report to Bureau of Citizenship and Immigration Services (USCIS) **only** when the local department "knows" that someone is not lawfully present in the United States. "Knowing" means that the person is subject to an order of deportation. Otherwise, case managers are not to notify the Immigration and Naturalization Service.
- B. **Do not make a determination that an individual is in violation of the Immigration and Nationality Act merely because of the immigrant's inability or unwillingness to document his/her immigrant status. When an immigrant is unwilling or unable to provide documentation, classify the individual as ineligible and discontinue efforts to obtain further documentation.**
- C. If the local department determines that a member of a household applying for or receiving FSP benefits is ineligible because the member is presently in the United States in violation of the Immigration and Nationality Act, inform the local USCIS office in writing.

120.19 Calculating the Countable Income and Resources from an Ineligible Immigrant

- A. Determine the amounts to be counted by calculating a prorated share of income received by the ineligible member and a prorated share of expenses paid by or billed to the ineligible member as described in section 108.5 of the manual.
- B. Do not count a deemed portion of a sponsor's income in calculating eligibility or benefit level if the sponsored immigrant is not included in the FSP household.
- C. The total value of any resources owned by the ineligible immigrant is counted.

120.20 Case Processing

Households with immigrants have many household compositions, which will determine ineligibility or eligibility for FSP benefits.



Example #1: Household A includes a mother and father who are refugees and two citizen children. The entire household is eligible for FSP benefits. Process this case using all income and deductions for the entire household.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 36

120.20 Case Processing (continued)

Example #2: Household B applied March 3. The household includes a mother age 45 and her 20-year old son. Both are lawfully admitted for permanent residence. Neither applicant has lived in the US in a qualified immigrant status for 5 years. They also do not have 40 quarters or a military connection. The household is not eligible for the FSP.

Example #3: Household C includes a mother, Ms. C and her two children under age 18. All were lawfully admitted for permanent residence on 8/02/01. Ms. C is not eligible because she meets none of the criteria for eligible immigrant status. The children are eligible for benefits. Open the case for the non-citizen children's benefits. Use a 2/3 prorated portion of Ms. C's income and deductions to calculate the State FS benefit for the two children.

Example #4: Household D includes a mother and father and their two children who were lawfully admitted for permanent residence within the last five years. Also in the household is a child born in the US. The children are eligible because they are under age 18. Mrs. D has \$500 monthly unearned income. Mr. D has no income. The rental cost is \$300.

Calculate the benefit for all members who are eligible FSP benefits. The countable income for the three children, using 3/5 of the income is \$300, ($\$500 \div 5 = \$100 \times 3 = \300) and 3/5 of the rent is \$180 ($\$300 \div 5 = \$60 \times 3 = \180).

Example 5: Ms. E is a battered immigrant according to the criteria described in section 120.13. She is applying for the FSP. The agency determines that she is a qualified immigrant. She has applied for asylum, but the request is still pending a decision. She is not eligible for the FSP until she has an immigration status that makes her eligible.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 37

**QUALIFIED IMMIGRANT CATEGORIES UNDER THE 1996 WELFARE AND
IMMIGRATION LAWS**

IMMIGRATION CATEGORY	DESCRIPTION	QUALIFIED IMMIGRANT?	LAWFULLY PRESENT?
Legal Permanent Resident (LPR)	Person granted lawful permanent residence status (green card holders)	yes	yes
Refugee	Person admitted as a refugee (retain refugee exemption for benefits even if subsequently adjust to LPR status)	yes	yes
Asylee	Person granted asylum (retain refugee exemption for benefits even if subsequently adjust to LPR status)	yes	yes
Granted Withholding of Removal	Person granted withholding of removal (formerly withholding of deportation) Retain refugee exemption for benefits even if subsequently adjusts to LPR status.	yes	yes
Parolee for a Year or More	Person who has been paroled into the U.S. for at least one year.	yes	yes
Cuban and Haitian Entrant	Person paroled into the U.S. as a Cuban or Haitian Entrant or any other national from Cuba or Haiti who is the subject of exclusion or removal proceedings or who has an application for asylum pending. Refugee Education Assistance Act of 1980, §501(e)	yes	yes
Amerasian	Child fathered by a U.S. citizen in certain Southeast Asian countries during the years of U.S. conflict in that region. Amerasians were granted LPR status under special provisions of the immigration law; therefore Amerasians are qualified immigrants because they are LPRs.	yes	yes
Domestic Violence Victims (and their Parents or Children)	Domestic violence victims are qualified if: <ul style="list-style-type: none"> • Immigrant has been battered, or immigrant's child or parent has been battered, by spouse, parent or member of family in the same household; and • Immigrant has a pending or approved spousal petition or a petition for relief under the Violence against women's Act; and • Agency providing benefits determines (using Attorney General's guidelines) that need for benefits has substantial connection to battery or cruelty. 	yes	yes

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 38

IMMIGRATION CATEGORY	DESCRIPTION	QUALIFIED IMMIGRANT?	LAWFULLY PRESENT?
Hmong or Lao Tribe Member (Not an Immigration Status)	Member of a Hmong or Lao Tribe during the Vietnam era, when the tribe provided military assistance to the U.S.; eligibility category includes spouse, unremarried surviving spouse, and child of the tribe member. Eligible for FS if are lawfully present in the U.S.	Depends on immigration status	Depends on immigration status
Native American	American Indian born in Canada; and certain other tribal members born outside the U.S. Immigration and Nationality Act, §289 and Indian Self-determination and Education Assistance Act of 1996§4(e)	<ul style="list-style-type: none"> • If LPR, yes • If not LPR, no 	yes
Parolee for Less Than a Year	Alien paroled into the U.S. for less than one year are lawfully present unless they are: <ul style="list-style-type: none"> • paroled for deferred inspection or pending exclusion proceedings, or • paroled into the U.S. for prosecution 	no	yes
Temporary Resident	Alien in Temporary Resident status under the IRCA amnesty program.	no	yes
TPS	Alien in Temporary Protected Status because of conflict in their home country.	no	yes
Family Unity	Family Unity beneficiary under the IRCA amnesty program	no	yes
DED	Alien granted Deferred Enforced Departure	no	yes
Deferred Action Status	Alien granted Deferred Action status pursuant to INS Service Operations Instructions.	no	yes
Spouse/child with adjustment Status Pending	Alien who is the spouse or child of a U.S. citizen whose visa petition has been approved and who has a pending application for adjustment of status.	no	yes
Asylum or Withholding of Removal Applicant	Applicant for asylum or withholding of removal (formerly withholding of deportation) who has been granted employment authorization. Applicants for these statuses under age 14 whose application has been pending for at least 180 days also treated as lawfully present.	no	yes
In Status Alien	Alien who has been inspected and admitted to the U.S. (in a category other than those listed above) and has not violated the terms of their status.	no	yes
Undocumented Immigrant	Person who entered the U.S. without inspection (EWI) or entered lawfully and have overstayed their visa.	no	NO

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 39

Citizenship and Eligible Immigrant Status

A person must be a US citizen or an eligible immigrant to qualify for the Food Supplement Program	
A. Except as provided in Section B, below, an immigrant must be both a qualified alien as specified in column 1 and meet the special FSP criteria in column 2 to be eligible.	
Column 1—Qualified Alien	Column 2—Special FSP Criteria
<ol style="list-style-type: none"> 1. Asylee granted under section 208 of INA 2. Refugee admitted under section 207 of INA (note: Trafficking Victims Protection Act of 2002 requires victims to be treated as refugees.) 3. Deportation withheld under 243(h) or 241(b)(3) of INA 4. Cuban or Haitian entrant as defined in 501(e) of Alien Refugee Education Assistance Act of 1980 (AREAA) 5. Amerasian immigrant under 584 of Foreign Operations, Export Financing and Related Program Appropriations Act 6. Lawfully admitted for permanent residence (LPR) 7. Paroled under section 212(d)(5) of INA for at least one year 8. Granted conditional entry under 203 (a)(7) of INA 9. Battered spouse, battered child, or parent or child of a battered person with a petition pending under 204(a)(1)(A) or (B), or 244(a)(3) of INA 	<ul style="list-style-type: none"> ➤ Qualified Aliens 1—5 are eligible <i>immediately and indefinitely, even after they adjust to lawful permanent resident (LPR) status. No special criteria.</i> ➤ Qualified aliens 6—9 must meet <i>one of the criteria below to be eligible for FSP:</i> <ul style="list-style-type: none"> ^ Lawfully in US as a qualified alien for at least 5 years ^ Lawfully in US regardless of date of entry and under 18, until 18th birthday ^ Lawfully in US regardless of date of entry and receiving federal disability benefits ^ Lawfully in US on 8/22/96 & 65 or older on 8/22/96 ^ LPR who can be credited with 40 quarters of work (sum of person, parent & spouse) ^ Military connection (veteran, active duty, spouse and children)
Remember: To obtain history of immigrant's status, complete SAVE or ask for G-845 Supplement.	
Remember: An alien must be both qualified (column 1) and special (column 2) to be eligible.	
B. The following immigrants are eligible even if they are not qualified aliens as specified in column 1, and they may be eligible for an indefinite period of time:	
<ol style="list-style-type: none"> 10. Certain Hmong or Highland Laotians (and spouse and children). Many are admitted as refugees. 11. American Indians born in Canada to which section 829 of INA applies, and members of an Indian tribe as defined in section 4(e) of Indian Self-Determination and Education Assistance Act (Cross-border Indians). 	
C. Ineligible immigrants include all other alien statuses. For example:	
<ol style="list-style-type: none"> 12. Visitors, tourists, students and diplomats 13. Aliens residing under Color of Law 14. Undocumented immigrants 15. Immigrants who have applied for eligible status but who have not yet been approved 16. Immigrants whose status is questionable or unverified 	

DESK GUIDE TO IMMIGRANT ELIGIBILITY EFFECTIVE 10/1/03

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS	Section 120	Page 40

Immigration Status	Eligible?	Subject to:	
		5-year Bar	Sponsor Deeming
Immigrants who are eligible			
Naturalized U.S. Citizens	Yes	No	No
Immigrants who entered the U.S. prior to December 19, 1997 and who have been in a qualified status for 5 or more years	Yes	No	No
<ul style="list-style-type: none"> ➤ Refugees, ➤ Asylees, ➤ Amerasians, ➤ Cuban/Haitian entrants, ➤ Trafficking victims, ➤ Immigrants whose deportation is withheld 	Yes	No	No
Lawful permanent residents (LPR) with 40 quarters	Yes	No	No
Lawfully residing Hmong or Laotian tribe members	Yes	No	No
Cross-border Native Americans	Yes	No	No
Immigrants who are eligible with certain restrictions			
Immigrants who entered the U.S. after December 19, 1997 and whose sponsor did not sign an enforceable affidavit of support	Yes	Yes	No
Immigrants who entered the U.S. after December 19, 1997 and whose sponsor signed an enforceable affidavit of support.	Yes	Yes	Yes
Qualified immigrants with a military connection	Yes	No	Yes
Qualified immigrants under 18 years of age.	Yes	No	No
Qualified Elderly Immigrants born on or before 8/22/31 who were lawfully residing in the U.S. on 8/22/96.	Yes	No	No
Qualified immigrants who are disabled receiving federal disability benefits	Yes	No	Yes
Ineligible Immigrants			
Non-qualified immigrants who are lawfully residing in the U.S.	No		
Undocumented immigrants	No		

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS – SPONSORED IMMIGRANTS	Section 121	Page 1

121.1 Definitions

- A. A “sponsored immigrant” is an immigrant for whom a person (sponsor) has executed an affidavit of support (I-864 or I-864A) on behalf of the immigrant.
1. The affidavit of support (I-864 or I-864A) is a legally enforceable contract between the sponsor and the federal government for the benefit of the sponsored immigrant and of any federal, state, or local government agency or private entity that provides means-tested public benefits with some exceptions. The most notable exceptions are emergency medical care, disaster relief, school lunches, foster care, student loans, and Head Start.
 2. The affidavit of support is required for all applications for immigrant visas or adjustment of status filed on or after December 19, 1997.
 3. By executing Form I-864 or I-864A, the sponsor agrees to provide the financial support necessary to maintain the sponsored immigrant at an income that is at least 125% of the federal poverty line, unless the obligation has terminated.
- B. A “sponsor” is a person who executed an affidavit of support (I-864 or I-864A) on behalf of the immigrant as a condition of the immigrant’s entry or admission into the United States as a permanent resident.
- C. “Date of entry” or “Date of admission” means the date established by the Bureau of Citizenship and Immigration Services (BCIS) as the date the sponsored immigrant was admitted for permanent residence.

121.2 Deeming of a Sponsor’s Income and Resources for Immigrants Admitted under the Affidavit of Support

- A. Only a portion of the income and resources of a sponsor and sponsor's spouse (if the spouse has executed INS I-864 or I-864A) will be counted in the calculation of the immigrant's Food Supplement Program (FSP) benefit eligibility and FSP benefit level.
- B. Calculate the portion of monthly income of any sponsor to be considered that of the immigrant in the following manner:
1. Look at the total monthly earned and unearned income of any sponsor at the time the household containing the sponsored immigrant member applies or is re-certified for FSP participation.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS – SPONSORED IMMIGRANTS	Section 121	Page 2

121.2 Deeming of a Sponsor's Income and Resources for Immigrants Admitted under the Affidavit of Support (continued)

2. Subtract 20 percent any earned income of any sponsor.
3. Subtract the amount of the monthly gross income eligibility limit for a household equal in size to the sponsor, the sponsor's spouse, and any other person who is claimed by the sponsor or sponsor's spouse as a dependent for federal income tax purposes.
4. Do not include money paid to the immigrant by the sponsor unless the amount paid actually exceeds the amount deemed as unearned income to the immigrant.
5. Resources of a sponsor to be considered as that of the immigrant is the total amount of any resources (as defined in the FSP Manual section 200) reduced by \$1,500.
6. If a sponsored immigrant can demonstrate that the sponsor also sponsors other immigrants, divide the deemed income and resources by the number of sponsored immigrants.

Example: Mr. and Mrs. A signed an affidavit of support (I-864) on behalf of Mrs. B and her 2 children. Mr. A has earnings of \$2,000 per month. He has a bank account that totals \$3,000. Mr. and Mrs. A have no other dependents and do not sponsor any others.

Countable Resource: The local department will count \$1,500 (\$3,000-\$1,500) of the bank account as a resource to Mrs. B's household.

Countable Income: Total income	\$2,000
20% earned income deduction	<u>- 400</u>
	\$1,600
Gross income limit for household of 2	<u>\$1,219</u>
Countable unearned income for Mrs. B	\$ 381

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS – SPONSORED IMMIGRANTS	Section 121	Page 3

121.2 Deeming of a Sponsor's Income and Resources for Immigrants Admitted under the Affidavit of Support (continued)

C. Sponsored immigrant rules do not apply to:

1. An immigrant who is part of the sponsor's FSP household,
2. Qualified immigrant children under 18 years of age,
3. An immigrant who is sponsored by an organization or group as opposed to an individual,
4. An immigrant who is not required to have a sponsor, such as a refugee, a parolee, an asylee, or a Cuban or Haitian entrant,
5. An indigent immigrant.

(a) The indigence exception is for immigrants who are abandoned by their sponsor or when the sponsor's contribution is so inadequate that the immigrant is unable to obtain food and shelter. This exemption lasts for one year after the agency makes the indigence determination.

(b) To make this determination, take into account the non-citizen's own income, plus any cash, food, housing, or other assistance provided by other individuals, including the sponsor. The amount that is deemed from the sponsor is the actual amount provided for a period beginning on the date of the determination and ending 12 months from this date.

(c) "Is unable to obtain food and shelter" means that the total amount of the eligible sponsored immigrant's household's own income, and the cash contributions and value of in-kind assistance provided by the sponsor and others does not exceed the gross income test for the household's size.

(d) When the local department determines that an immigrant is indigent, the name of the sponsored indigent immigrant and the sponsor's name must be forwarded to :

The Attorney General
US Department of Justice
950 Pennsylvania Avenue
Washington DC 20530-0001

(e) If the immigrant does not want BCIS contacted regarding their indigent status or their sponsor, the immigrant may choose to be removed from the FSP household or to withdraw the application.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS – SPONSORED IMMIGRANTS	Section 121	Page 4

121.2 Deeming of a Sponsor's Income and Resources for Immigrants Admitted under the Affidavit of Support (continued)

- (f) The case manager must advise the immigrant that receiving FSP does not affect their immigration status.
6. A battered immigrant spouse, parent of a battered child or child of a battered immigrant.
- (a) An exception from sponsor deeming for certain battered spouses and children is allowed for a one-year period.
 - (b) This exception is for immigrant spouses and children who have been battered or subjected to extreme cruelty in the United States by their spouses or parents, or by another family member residing in the household who was allowed to commit the acts.
 - (c) The battery or cruelty must have a substantial connection to the need for the public benefits.
 - (d) The spouse or child subjected to cruelty must not be living with the person who committed the abusive acts.
 - (e) The battered spouse exception may extend beyond the initial one-year period, if the BCIS, a judge, or an administrative law judge formally recognize that the battery or extreme cruelty occurred. The local department must also determine that the abuse continues to have a connection with the spouse or child's need for benefits.
- D. Termination of the support obligation.
- 1. The sponsor's support obligation terminates when the sponsored immigrant:
 - (a) Becomes a citizen of the United States;
 - (b) Has worked, or can be credited with, 40 qualifying quarters of work, provided that the sponsored immigrant is not credited with any quarter beginning after December 31, 1996, during which the immigrant receives a federal means-tested public benefit;
 - (c) Ceases to hold the status of an alien lawfully admitted for permanent status and has departed the U.S.; or

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS – SPONSORED IMMIGRANTS	Section 121	Page 5

121.2 Deeming of a Sponsor's Income and Resources for Immigrants Admitted under the Affidavit of Support (continued)

- (d) Dies.
- 2. The sponsor's support obligation also ends if the sponsor dies.
- 3. The termination of the support obligation does not relieve the sponsor or the sponsor's estate of any reimbursement obligation that accrued before the support obligation terminated.

Reminder: Do not include the resources and income of the sponsor in determining the resources and income of an ineligible sponsored immigrant.

121.3 Steps for Determining Eligibility

Step 1: When sponsored legal permanent residents apply for FSP benefits, if they do not meet one of the exceptions to deeming, determine eligibility for the federal or State benefits based on their immigration status. Most are not eligible for federal benefits because of the 5-year bar on receipt of federal means-tested benefits.

Step 2: Determine if the household will meet eligibility requirements for the benefit based on reported information. For example, if a household owns a resource that would make it ineligible, further verification of immigration status and sponsor's income is not necessary.

Step 3: If they would be eligible for the benefits, verify immigration status and the income and resources of the sponsor and or sponsor's spouse (if the spouse is living with the sponsor). The G-845 Supplement has a section in which INS can enter the sponsor's address.

Step 4: Determine eligibility for FSP benefits.

121.4 Eligible Sponsored Immigrant's Responsibilities

- A. The eligible sponsored immigrant is responsible for:
 - 1. Obtaining the cooperation of the sponsor and for providing the agency with any information or documentation necessary to calculate deemed income and resources.
 - 2. Reporting the required information if the sponsor changes during the certification period.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS – SPONSORED IMMIGRANTS	Section 121	Page 6

121.4 Eligible Sponsored Immigrant's Responsibilities (continued)

3. Reporting a change in income if the sponsor changes or loses employment or dies.
- B. The local department shall obtain from the sponsored immigrant the following information:
1. The income and resources of the sponsor and the sponsor's spouse at the time of the immigrant's application for FSP.
 2. The number of other immigrants from whom the sponsor has signed an affidavit of support and the number of dependents for Federal income tax purposes of the sponsor and the sponsor's spouse.
 3. The provision of the Immigration and Nationality Act under which the immigrant was admitted.
 4. The date of the immigrant's entry or admission as a lawful permanent resident as established by Bureau of Citizenship and Immigration Services (BCIS).
 5. The immigrant's date of birth, place of birth and alien registration number.
 6. The name, address and phone number of the immigrant's sponsor.

121.5 Awaiting Verification

- A. If the above information is not received or verified on a timely basis, the sponsored immigrants are ineligible until all necessary facts are obtained.
- B. Determine the eligibility of any remaining household members.
- C. Consider as available a prorated portion of the income and all the resources of the ineligible immigrant (excluding the deemed income and resources of the immigrant's sponsor) in determining the eligibility and benefit level of the remaining household members.
- D. If the information or verification is subsequently received, act on the information as a reported change in household membership.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CITIZENSHIP AND IMMIGRATION STATUS – SPONSORED IMMIGRANTS	Section 121	Page 7

121.6 Overissuances Due to Incorrect Sponsor Information

- A. Effective June 1, 2001, any recipient claim arising from overissuances to a household that includes a sponsored immigrant is the sole responsibility of that household.
- B. Claims established prior to June 1, 2001 under the old policy are still valid. Under the prior policy:
 1. The sponsored immigrant and any sponsor are both jointly and separately liable for repayment of any overissuance of FSP benefits as a result of incorrect information provided by the sponsor. If the immigrant's sponsor had good cause or was without fault for supplying the incorrect information, the immigrant's household is solely liable for repayment of the overissuance. The local department may choose to establish claims against both parties at the same time or to establish a claim against the party most likely to repay first.
 2. If a claim is established against the immigrant's sponsor first, ensure that a claim is established against the immigrant's household whenever the sponsor fails to respond to a demand letter within 30 days of receipt.
 3. Initiate collection action against a sponsor by sending a written demand letter which informs the sponsor of the amount owed, the reason for the claim, and how the claim may be paid.
 4. When collecting claims against the household of a sponsored immigrant all procedures concerning determination of intentional program violation or inadvertent client error and all procedures regarding the collection of claim, as outlined in section 490 are to be followed.
 5. Inform the sponsor that he or she is not liable for repayment of the claim if there is good cause or if the sponsor was without fault for the incorrect information having been given to the local department.
 6. When a sponsor does not respond to demand letters, the local department may use other collection methods to obtain payments or claims.
 7. Terminate collection action when the sponsor cannot be located or when the cost of further collection is likely to exceed the amount that can be recovered.
 8. Collection of claims from sponsors shall be in accordance with procedures specified in section 490, Claims Against Households.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
MIGRANTS	Section 122	Page 1

122.1 Purpose

All of the policy and procedures described in the following sections apply to migrant households with the exception of expedited service.

122.2 General Information

Migrants who are not citizens must meet the same non-citizen eligibility requirements as other non-citizens (See Section 120).

122.3 Definition of a Migrant Worker

A migrant worker is a person who moves from one region or locality to another to work or seek work in agriculture or a related seasonal industry. Migrant workers move so far in the course of their regular annual employment that they establish temporary residences at one or more locations away from the place they call home.

122.4 Applications

- A. Because migrant households often reside in isolated areas and may have no access to a telephone or may have transportation problems, it may be necessary to waive face-to-face office interviews or conduct onsite interviews.
- B. Applications may be taken and processed at the labor camps when the local director determines that this will result in more efficient use of staff and promote prompt and expeditious handling of applications.
- C. Migrant households frequently have little or no income at the time of application and may be destitute even though they receive income at some other time during the month of application.
- D. Carefully screen all applications to identify those requiring expedited service, and to apply the special income calculation for destitute households. The destitute provision applies only to migrant households.

122.5 Household Concept

Two unusual living arrangements are common to migrants:

- A. If a group of single persons hires someone to purchase and prepare meals for them, that group is the household. There cannot be a household of one.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
MIGRANTS	Section 122	Page 2

122.5 Household Concept (continued)

- B. Individual members of a household may be lodged in separate dwellings in the labor camp. When this occurs, the household unit is not disturbed and the group may qualify as a single household as long as the members purchase and prepare their meals together.

122.6 Residency and Identity

- A. Consider a car, bus, truck or other temporary shelter as an acceptable place of residence.
- B. Verify only that the household is, at least temporarily, living at a place within the county, and is working or seeking employment.

122.7 Work Registration

- A. Register migrant workers for work unless they are exempt (See Section 130 for work exemptions).
- B. The most common exemptions in migrant households are as follows:
 1. Children under age 18
 2. Persons employed a minimum of 30 hours per week
 3. Persons receiving weekly earnings at least equal to the Federal minimum wage multiplied by 30

122.8 Resources

Take special care when dealing with migrants to determine if there are out-of-state resources.

122.9 Excluded Income

- A. Migrant households are entitled to the same income exclusions as other households (See Section 211).
- B. The most common excluded income for migrant households is the earned income of a child who is 17 years of age or younger and is:
 1. Attending school at least half-time, and

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
MIGRANTS	Section 122	Page 3

122.9 Excluded Income (continued)

2. Under the control of another household member

NOTE: Exclude a student's income that can be identified separately from the rest of the household's income. If the student's income cannot be identified from the other household members, prorate the income evenly among all of the individuals who earned the income. Exclude the child's prorated share from consideration.

122.10 Destitute Households

Destitute migrant or seasonal farm worker households are those that meet the following criteria regarding receipt of income during the month of application:

- A. The household's only income for the month of application was received prior to the date of application, and was received from a terminated source; or
- B. The household's only income for the month of application is from a new source and it does not expect to receive more than \$25 from this source by the 10th calendar day after the date of application; or
- C. The household's only income from a terminated source is received before the date of application and it does not expect to receive more than \$25 income from a new source by the 10th calendar day after the date of application.

122.11 Income from a Terminated Source

- A. Income that is received on a monthly or more frequent basis comes from a terminated source if it will not be received again from the same source during the balance of the month of application or during the following month.
- B. Income that is normally received less often than monthly comes from a terminated source if it will not be received in the month in which the next payment would normally be received.

EXAMPLE: If income is received on a quarterly basis (e.g. on January 1, April 1, July 1, and October 1), and the household applies in mid-January, the income would be from a terminated source only if the household does not anticipate receiving it in April.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
MIGRANTS	Section 122	Page 4

122.12 Income from a New Source

- A. Income that is normally received on a monthly or more frequent basis is considered to be from a new source if income of more than \$25 has not been received from that source within 30 days prior to the date the application was filed.
- B. Income that is normally received less often than monthly is considered to be from a new source if income of more than \$25 was not received within the last normal interval between payments.

EXAMPLE: A household applies in early January and is expecting to be paid every three months starting in late January. The income is from a new source if no income of more than \$25 was received from the source during October or since that time

NOTE: A migrant farm worker's source of income is the grower for whom the migrant is working, not the crew chief. Therefore, a migrant who travels with the same crew chief but moves from one grower to another has moved from a terminated source to a new source of income.

- C. Some employers provide travel reimbursement or wage advances to employees to cover the travel costs of moving to the location of their new employment. Disregard these travel advances when determining whether income is from a new source.

EXAMPLE: A household applies on May 10. Its only income is a travel advance of \$50 from its new employer, received by the household on May 1. It will not start receiving any other income from the employer until May 30. The \$50 payment on May 1 is disregarded in determining the status of the May 30 income. Therefore, the payment on May 30 is considered income from a new source and the household is considered destitute.

NOTE: All FSP applications must be screened for destitute household status. Those who meet the criteria listed above may be entitled to expedited FSP service as described in Section 401.

122.13 Application

Destitute households receive the FSP benefit of a special income calculation for the month of application only. This is done by only considering income that is received between the first of the month of application and the date of application. Disregard any income from a new source that is anticipated after the date of application.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
MIGRANTS	Section 122	Page 5

122.13 Application

NOTE: Exclude as income travel advances that are reimbursements for travel expenses. Count as income travel advances that are an advance on wages when a written contract specifies the advance will be subtracted from wages later earned by the employee.

EXAMPLE: A household applies May 10. It receives a \$50 wage advance from its new employer for travel expenses on May 1, but will not receive any other wages from the employer until May 30. The household has a written contract that states that the \$50 will be subtracted from these wages. The May 30 payment is disregarded, but the wage advance received prior to the date of application is counted as income.

122.14 Certification Periods

Certify destitute households using expedited service verification requirements for one or two months only if the household cannot reasonably predict what its circumstances will be in the near future or when there is a substantial likelihood of frequent and significant changes in income or household status (see Section 408.4).

122.15 Recertification

- A. The policies regarding destitute households, expedited service verification requirements and special income calculation apply at recertification, but only for the first month of the new certification period.
- B. At recertification, disregard income from a new source in the first month of the new certification period if income of more than \$25 will not be received from the new source by the 10th calendar day after the date of the household's normal issuance cycle.

EXAMPLE: A household whose current certification period expires on May 31 files a timely application on May 15. During the recertification interview, the case manager discovers that the household will receive its last income from its employer on May 30. It will receive income from a new employer on June 20. Since this household has no other income, the income for the first month of the new certification period is disregarded. If the verification required for recertification is obtained, assign a normal certification period. If not, use expedited service verification requirements and give the household a new certification period of one month.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 1

130.1 Purpose

This section describes the work requirements, exemptions from work requirements and the penalties for failure to comply.

130.2 General Policy

The Food Supplement Program (FSP) requires that each household member who is not exempt under 130.5 register for work and accept suitable work, with some exceptions.

130.3 Registration Procedure

A. The LDSS will:

1. Determine which household members must register for employment;
2. Register each individual who is not exempt under 130.5;
3. Explain and provide in writing to the applicant the work registration requirements, the rights and responsibilities of work registered household members and the consequences of failure to comply;
4. Complete the FSP Employment and Training section of the CARES WORK screen, for each household member required to register for employment; and
5. Register each person at initial certification and at every recertification as a condition of eligibility. Ensure that the CARES WORK screen is updated and correct for each individual at recertification.



B. It is not necessary for work registration to be done in person.

130.4 Determination of Exemption Status

- A. Make the determination as to which household members do not have to be work registered at the time of initial certification and at each subsequent recertification.

Note: Individuals who lose an exemption but are not subject to reporting requirements will be work registered at their next redetermination.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 2

130.4 Determination of Exemption Status (continued)

- B. After applying the exemption criteria in 130.5, determine if there is a reason to grant an individual exemption based on the circumstances described in 130.6.

130.5 Statutory Exemptions from Work Registration

The following persons do not have to be work registered:



- A. **A child younger than age 16.** Individuals age 16 and 17 are exempt if they are not the head of household or if they are attending school or are enrolled in an employment training program at least half-time.

- B. **A person 60 years of age or older.**

- C. **A person physically or mentally unfit for employment.** Require verification of the mental or physical disability if the disability is not evident. Appropriate verification consists of receipt of temporary or permanent disability payments issued by public or private sources or a statement from a medical care provider.



- D. **A household member subject to, and complying with, any work requirement under Title IV of the Social Security Act.** This includes compliance with Temporary Cash Assistance work requirements.

Note: Some TCA customers are not subject to TCA work requirements (i.e. needy caretaker relative). If not exempt they are subject to FSET.

- E. **A parent or other household member who is responsible for the care of a dependent child under age 6 or an incapacitated individual.** If the child has his or her 6th birthday within a certification period, the individual responsible for the care of the child must fulfill the work registration requirement at the next scheduled certification period unless the individual qualifies for another exemption.



- F. **A person who is receiving unemployment compensation.** A person who has applied for, but has not yet begun to receive benefits is also exempt if that person was required to register for work as part of the unemployment compensation application process. If the exemption claimed is questionable, verify the exemption with the appropriate office of the Department of Labor, Licensing, and Regulation.

- G. **A regular participant in a drug addiction or alcoholic treatment program.**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 3

130.5 Statutory Exemptions from Work Registration (continued)

- H. **A person who is employed or self-employed and working a minimum of 30 hours weekly** or receiving weekly earnings at least equal to the federal minimum wage multiplied by 30 hours. This includes migrant and seasonal farm workers who are under contract with an employer or crew chief to begin employment within 30 days.
- I. **A student enrolled at least half time with any recognized school, training program, or institution of higher education.**
1. A student enrolled at least halftime in a school of higher education must meet the requirements in Section 102.3 of the manual.
 2. The student remains exempt during normal periods of class attendance, vacations, and recesses, unless the student graduates, is suspended or expelled, drops out, or does not intend to register for the next normal school term (excluding summer school).
 3. Persons who are not enrolled at least half time or experience a break in enrollment status due to graduation, expulsion or suspension, or who drop out or do not intend to return to school are not considered students for the purpose of qualifying for this exemption.



130.6 Individual Exemptions

- A. Household members who must be work registered may still be individually exempted from participation in the FSP Employment and Training (FSPET) program under certain circumstances.
- B. These conditions do not automatically cause an individual exemption. The situation must exist and the worker must decide that it makes participation in employment and training programs impractical.
- C. Determine individual exemptions on a case-by-case basis and review the exemption at the time of recertification.
- D. The individual exemptions include:
 1. Older individual – Registrant is age 55 or older with no formal skill training and has not been employed within the last 10 years and has less than a 10th grade education.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 4

130.6 Individual Exemptions (continued)

2. Multiple barriers – Registrant has multiple barriers to employment, such as but not limited to, alcohol or drug abuse, lack of a driver’s license (making transportation to the FSET program site difficult).
3. Childcare difficulties – Registrant is the caretaker relative of a child aged 12 years or under and cannot arrange adequate childcare.
4. Family problems – The registrant is experiencing domestic abuse and must attend counseling sessions that conflict with employment and training participation.
5. Homelessness – The registrant lacks adequate shelter or a permanent home and has one or more other limitations, such as but not limited to, a history of alcohol or drug abuse, lack of transportation, or inadequate clothing.
6. Temporary illness or disability – The registrant has a temporary illness or disability and is unable to work for at least 90 days.
7. Job related – The registrant has been laid off temporarily with the expectation of returning to the same employer within 3 months or less or a registrant who has a verifiable offer of employment to begin within 90 days.
8. Transitional living arrangement – The registrant is living in a temporary arrangement such as a shelter for battered women or other temporary housing during a family emergency.
9. Migrant or seasonal worker – The registrant who moves from one region to another to work or seek work in agriculture or a related seasonal industry, or a registrant who is under contract or has a similar agreement with an employer to begin work within 30 days.
10. Convicted offender – The registrant is performing unpaid work for a minimum of 30 hours weekly in lieu of sentencing.
11. Pregnancy – The registrant has begun the second or third trimester of pregnancy.
12. Transportation difficulties – The registrant has no access to any mode of transportation or lives too far away (i.e. a round trip to and from the FSET program site or potential employer exceeds two hours by reasonable public or private transportation).



DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 5

130.7 Categorical Exemptions (Remote Areas)

Maryland exempts recipients of FSP benefits from participation in the Food Supplement Employment and Training Program FSET program in 6 counties. Job opportunities and public transportation in these counties are scarce and residents are isolated from areas that contain greater opportunities for employment. **Allegany, Garrett, Somerset, Washington, Wicomico and Worcester Counties** are designated as remote. (This designation may be lifted for those counties that wish to operate an FSET program.)

130.8 Local Department Responsibility

The LDSS will:

- A. Register for work each household member not exempt under the criteria listed in 130.5. Work register the individual by completing the FS Employment and Training section of the CARES Work screen.
- B. Upon determining that an applicant or household member is required to register for work, explain and provide in writing to the applicant:
 1. Pertinent work requirements;
 2. Rights and responsibilities of work registered household members; and
 3. Consequences of failure to comply.
- C. Permit the applicant to complete work registration for each household member required to register for employment.
- D. Screen each work registrant to determine if it is appropriate to refer the individual to an FSET component.
- E. If appropriate, refer the individual to an FSET component.
- F. Upon entry into each component advise the registrant, either orally or in writing, the requirements of the component, what will constitute noncompliance and the sanctions for noncompliance.
- G. Initiate conciliation procedures as described in Section 130.12C upon determining that an individual has not complied with an FSET requirement.
- H. Issue a notice of adverse action no later than the last day of the conciliation period.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 6

130.8 Local Department Responsibility (continued)

- I. Cancel the notice of adverse action if it was issued prior to the end of the conciliation period and the case manager verifies that compliance was achieved by the end of the conciliation period.

130.9 Food Supplement Program Employment and Training Program Voluntary Participants

- A. If an individual is exempt under the criteria described in 130.5 and wishes to participate in the FS Employment and Training Program (FSET), the individual is considered a volunteer participant.
- B. Work Register the individual by completing the CARES WORK screen.
- C. Inform the volunteer what services the FSET program provides.
- D. Volunteers are not subject to sanctions for non-compliance with FSET requirements.

130.10 Food Supplement Program Employment and Training Program Requirements

- A. Work registrants must:
 1. Participate in the FSET component to which they are assigned. Requirements of the FSET program may vary for individual participants depending on their training needs, job readiness and availability of employment for which they may qualify.
 2. Provide any requested information regarding employment status or availability for work to the local department or FSET component program.
 3. Report to an employer when referred by the FSPET program if the employment is suitable as described in 130.15.
- B. FSET non-ABAWD program requirements include but are not limited to:
 1. Independent Job Search
 2. Group Job Search
 3. Remedial Education
 4. Vocational Training

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 7

130.10 Food Supplement Program Employment and Training Program Requirements (continued)

5. Work Experience governed by the Fair Labor Standards Act (FLSA) requirements
 6. Part time employment
- C. FSET ABAWD program requirements refer to Sec. 130.24, ABAWD, of this manual.

130.11 Loss of Exemption Status

- A. Update the Food Supplement Employment and Training (FSET) section of the CARES WORK screen for any individual who loses exemption status due to any change in circumstances that is subject to reporting requirements, such as loss of employment or change in household composition, when the change is reported.
- B. Register individuals who lose their exemption status due to a change not subject to the reporting requirements at the household's next recertification.

130.12 Failure to Comply

- A. **Individuals** who are required to register for work are ineligible if they:
 1. Refuse without good cause to participate in an assigned employment and training component;
 2. Refuse without good cause to provide any requested information regarding employment status or availability for work;
 3. Refuse without good cause to accept an offer of suitable employment;
 4. Voluntarily and without good cause quit a job; or
 5. Voluntarily and without good cause reduce work effort and after the reduction work less than 30 hours per week.

Note: If the individual continues to earn at least 30 times the minimum wage he or she is exempt from the work requirements and is not subject to a work disqualification.

- B. An individual who fails to comply with work requirements is ineligible for the following periods of time:

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 8

130.12 Failure to Comply (continued)

1. First violation - one month or the date of compliance, whichever is later.
2. Second violation - three months or the date of compliance, whichever is later.
3. Third or subsequent violation - six months or the date of compliance, whichever is later.

C. Conciliation Period.

The purpose of a conciliation period is to determine the reason/s the work registrant did not comply with an E&T requirement and to provide the non-complying individual with an opportunity to comply prior to the issuance of a Notice of Adverse Action.

1. The conciliation period will begin the day following the date the local department learns of the non-compliance with FSET requirements. The conciliation period will continue for a period not to exceed 30 calendar days.
2. Within the conciliation period, the LDSS will contact the non-complying household member to determine the reasons for non-compliance and determine if good cause exists as described in Section 130.13.
3. If good cause does not exist, inform the household member of:
 - (a) The pertinent FSET requirements;
 - (b) The consequences of failing to comply;
 - (c) The actions necessary for compliance; and
 - (d) The date by which compliance must be achieved to avoid the Notice of Adverse Action. This date may not exceed the end of the conciliation period.
4. To avoid the Notice of Adverse Action, the non-complying household member must perform a verifiable act of compliance, such as attending a job search training session or submitting a report of job contacts as required by the local department.
5. If it is apparent that the individual will not comply with the FSET requirement (i.e. the individual refuses to comply and does not have good cause), the case manager may end the conciliation period early and issue the Notice of Adverse Action. Document the refusal in the case record narration.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 9

130.12 Failure to Comply (continued)

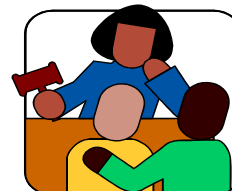
6. If the work registrant does not comply during the conciliation period, issue a Notice of Adverse Action no later than the last day of the conciliation period. If the Notice of Adverse Action was issued prior to the end of the conciliation period and the case manager verifies that compliance was achieved by the end of the conciliation period, the case manager may cancel the notice of adverse action.

D. Refusal or Failure to Comply with Work Requirements other than FS Employment and Training Requirements.

1. If an individual refuses or fails to comply with any work requirements other than the FSET requirements, determine if good cause exists.
2. Within 10 days of a determination that noncompliance was without good cause, provide the household with a notice of adverse action.
3. The notice of adverse action must:
 - (a) Include the particular act of noncompliance committed;
 - (b) Include the proposed period of the disqualification;
 - (c) Specify that the individual may reapply at the end of the disqualification period; and
 - (d) Include on or with the notice a description of the action the customer may take to end or avoid the sanction and procedures for ending the disqualification.
4. Begin the disqualification period with the first month following the expiration of the adverse action period, unless a fair hearing is requested.

E. Fair Hearings/Appeals

1. Each individual or household has the right to request a fair hearing to appeal the denial, reduction or termination of FSP benefits due to a determination of nonexempt status, or a local department determination of failure to comply with work registration or FSET requirements.



DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 10

130.12 Failure to Comply (continued)

2. Individuals may also appeal the local department actions such as the determination of exemption status, the type of requirement imposed, or local department refusal to make a finding of good cause if the individual believes that a finding of failure to comply has resulted from improper decisions in these matters.

F. Failure to Comply with a Work Requirement under TCA or Unemployment Compensation.

1. Applicants or recipients who are exempt from FSP work requirements because they are subject to TCA work requirements or are receiving unemployment insurance (UI) benefit, but fail to comply with the work requirements of these programs, are treated as if they failed to comply with FSP work requirements. The disqualification periods are limited to a minimum of:
 - (a) First violation – one month
 - (b) Second violation – three months
 - (c) Third or subsequent violation – six months
2. The rule does not apply if the non-complying customer meets a FSP work registration exemption, other than the exemptions for complying with TCA or UI work requirement.

Note: Even if the penalty for not complying with a TCA work requirement closes the TCA case, only the non-complying member is removed from the food stamp case.

3. Provide the household with a Notice of Adverse Action within 10 days after learning of the household member's noncompliance with the unemployment compensation or TCA work requirement.
4. **Steps to Applying the Policy** - When the case manager learns about the loss or denial of UI, or a TCA denial, reduction or termination, the case manager must take the following steps:

Step 1 – Determine if the non-complying member was exempt from FSP work registration requirements solely due to receipt of unemployment benefits or TCA. **If the member is otherwise exempt from FSP work requirements, take no action.** If not exempt for another reason, go to Step 2.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 11

130.12 Failure to Comply (continued)

Example: Mrs. A failed to comply with a TCA work requirement and her TCA case was closed. She has a 4-year old son. Since she is exempt from FSP work requirements because she is responsible for the care of a dependent child under age 6, this household is not subject to the sanction.

Reminder: Even though Ms. A is not disqualified from the FSP case, she is subject to phantom income rules. The case manager would continue to count TCA income for the FSP case.

Step 2 – If the customer was exempt from FSP work requirements solely due to receipt of UI or TCA determine if he or she has good cause for failure to comply. (See FSP Manual Section 130.13 for good cause reasons) **If the customer had good cause for failure to comply, take no action.**

Step 3 – If the customer did not have good cause, he or she is removed from the FSP household.

Example: Mr. B is applying for FSP benefits. He lost his job and was getting UI. He failed to make the required job contacts so his UI ended. He has no other work exemption. He could not demonstrate good cause for failure to comply with UI work requirements. The case manager denies the FSP case because Mr. B is the only person in the household.

5. Ending a Disqualification - A disqualified person can resume participation during the disqualification period if he or she becomes exempt from FSP work requirements.

Example: Ms. C receives FSP benefits for herself and her 14-year old child. Ms. C's UI was terminated because she did not complete her work contacts. The case manager removes Ms. C from the FSP case effective November. In January, she reports that she broke her leg. She is exempt from FSP work requirements because of her temporary disability. Her case manager adds her to the case.

Note: Do not use phantom income when a customer's UI is terminated for failure to comply with UI work requirements. Unemployment insurance is not a means-tested public benefit.

6. A disqualification for failure to comply with TCA or UI work requirements will end before the end of mandatory FSP disqualification period if the customer complies with the TCA or UI requirement.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 12

130.12 Failure to Comply (continued)

Example: Ms. D received TCA for herself and child. She failed to comply with her TCA work requirement. This was her first instance of failure to comply with the TCA work requirements. Her TCA case is closed effective November 1. She is removed from the FSP household and TCA phantom income is included in the FSP benefit calculation. In December, Ms. D complies with the TCA work requirement. The case manager opens the TCA case, adds her to the FSP case and removes the phantom income.

7. At the end of the disqualification period, the customer may resume participation if the person reapplies and is determined to be in compliance with work requirements.

130.13 Good Cause for Failure to Comply with FSET

- A. The case manager is responsible for determining good cause in instances where the household member has failed to comply with the work registration, FSET program, and voluntary quit requirements. Consider the facts and circumstances, including information submitted by the FSET program, the household member and any employer involved.
- B. Good cause includes circumstances beyond the household member's control such as, but not limited to (see also 130.21):
 1. Illness;
 2. Illness of a household member requiring the presence of the registrant;
 3. A household emergency;
 4. The unavailability of transportation;
 5. Lack of adequate child care for children who have reached the age of six but who are age 12 or under; or
 6. Problems caused by inability of a work registrant to speak or write English.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 13

130.14 Ending a Disqualification

- A. Following the end of the disqualification period for noncompliance with work requirements, participation may resume if a disqualified individual applies again and is determined eligible.
- B. Eligibility may be established during a disqualification period if the disqualified household member becomes exempt from the work requirements.

130.15 Suitable Employment

Employment is considered suitable if the following conditions exist:

A. Earnings

- 1. The wages offered are equal to or more than the federal minimum wage;
- 2. The employment offered is on a piece-rate basis and the average hourly yield the employee can reasonably expect to earn is equal to or more than the federal minimum wage.

B. Union Membership

The household member, as a condition of employment, or continuing employment, is not required to join, resign from, or refrain from joining any legitimate labor organization.

C. Strikes

The work offered is not at a site subject to a strike or lockout at the time of the offer, unless the strike has been enjoined under §208 of the Labor-Management Relations Act (29 U.S.C. 78 commonly known as the Taft-Hartley Act), or unless an injunction has been issued under § 10 of the Railway Labor Act (45 U.S.C. 160).

130.16 Registrant Proof of Unsuitability

Employment is considered suitable unless the household member can demonstrate, or the case manager becomes aware that:

- A. The degree of risk to health and safety is unreasonable;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 14

130.16 Registrant Proof of Unsuitability

- B. The member is physically or mentally unfit to perform the employment, as established by documentary medical evidence or reliable information obtained from other sources;
- C. The employment offered within the first 30 days of registration is not in the member's major field of experience; or
- D. The distance from the member's home to the place of employment is unreasonable considering the expected wage and the time and cost of commuting. Employment is not considered suitable if:
 - 1. Daily commuting exceeds 2 hours per day, not including transporting children to and from day care facilities; or
 - 2. The distance to employment prohibits walking and neither public nor private transportation is available to transport the member to the job site; or
- E. The working hours or nature of the employment interferes with the member's religious observances, convictions or beliefs.

130.17 Participation of Strikers

Strikers whose households are eligible under Section 101 are subject to work registration requirements unless exempt under 130.5.

130.18 Voluntary Quit and Reduction of Work Effort

- A. An individual is ineligible if, without good cause, the individual:
 - 1. Voluntarily quit a job of 30 hours per week or more; or
 - 2. Reduces his or her work effort voluntarily and without good cause and, after the reduction, is working less than 30 hours per week.
- B. To be considered a voluntary quit the following conditions must exist:
 - 1. The job was 30 hours or more per week or provided weekly earnings at least equivalent to the federal minimum wage multiplied by 30 hours;
 - 2. The quit happened within 30 days prior to application or anytime thereafter; and

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 15

130.18 Voluntary Quit and Reduction of Work Effort (continued)

3. The quit was without good cause.
- C. The reduction of work effort applies if:
1. Before the reduction, the individual was employed 30 hours or more per week,
 2. The reduction occurred within 30 days prior to the date the application was filed or any time thereafter; and
 3. The reduction was voluntary and without good cause.

130.19 Determination of Voluntary Quit

- A. When a household files an application or when a participating household loses a source of income, determine if any currently unemployed household member quit his or her job under the conditions described in Section 130.18. Do not delay benefits pending this determination.
- B. An employee of the federal, state or local government who participates in a strike against the government and is dismissed from his or her job because of participating in the strike is considered to have voluntarily quit the job without good cause.
- C. The following situations are not considered a voluntary quit:
 1. If an individual quits a job, secures new employment at comparable wages or hours and is then laid off or, through no fault of his own, loses the new job, the earlier quit will not form the basis for disqualification.
 2. Changes in employment status resulting from an employer initiated reduction in hours of employment, termination of a self-employment enterprise, or a resignation from a job at the demand of the employer are not considered voluntary quit.
 3. Quitting a job that paid less than 30 times the hourly federal minimum wage.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 16

130.19 Determination of Voluntary Quit (continued)

- D. For an applicant household, determine whether any unemployed household member who is required to register for work or who is exempt because the individual is working a minimum of 30 hours weekly or receiving weekly earnings at least equal to the federal minimum wage multiplied by 30 hours, has voluntarily quit a job within the last 30 days. If the case manager learns that a household member has lost a source of income after the date of application but before the household is certified, the case manager must determine whether a voluntary quit occurred.
- E. Determine if any household member voluntarily quit a job while participating in the FSP within 30 days prior to application, or in the time between application and certification. If the household member is already participating when a quit that occurred prior to certification is discovered, consider the individual as participating in the FSP for the purpose of imposing the penalty.
- F. Applicant Households.
1. In the case of an applicant, upon a determination that an individual voluntarily quit employment, determine if the voluntary quit was with good cause as defined at 130.20. If the voluntary quit was not for good cause, the individual is ineligible for the following periods of time from the date of the quit:
 - (a) First violation - one month or the date of compliance, whichever is later.
 - (b) Second violation - three months or the date of compliance, whichever is later.
 - (c) Third or subsequent violation - 6 months or the date of compliance, whichever is later.
 2. Advise the household of :
 - (a) The reason for the denial of benefits for the individual;
 - (b) The length of the disqualification;
 - (c) The individual's right to reapply at the end of the disqualification period; and
 - (d) The individual's right to a fair hearing.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 17

130.19 Determination of Voluntary Quit (continued)

G. Participating Households.

1. If an individual in a participating household is found to have voluntarily quit a job without good cause, provide a notice of adverse action within 10 days after determination of the quit. The notice shall:
 - (a) Contain the particular act of non-compliance;
 - (b) Contain the proposed period of ineligibility;
 - (c) Contain the actions that may be taken to end or avoid the disqualification; and
 - (d) Specify that the individual may reapply at the end of the disqualification period.

2. Voluntary Quit at the end of a Certification Period.

- (a) If a voluntary quit occurred in the last month of a certification period or is determined in the last 30 days of the certification period, do not include the individual for the appropriate period of time beginning with the day after the last certification period ends.

Example: Mr. A's certification period ends April 30. He reapplies for recertification on April 15 for himself and two children. At that time the case manager finds that he voluntarily quit his job on April 3. Since this is his second work requirement sanction, he is ineligible for three months or until the date of compliance whichever is later.

- (b) If the household does not apply for FSP benefits by the end of the certification period, establish a claim for the FSP benefits received by the household for the length of the penalty, as described in section 130.12 B, beginning the first of the month after the month in which the quit occurred.

Example: On May 15 the case manager discovered that Mr. B quit a job on March 4th. This is his second violation. Mr. B's certification period ended May 31 and he did not reapply. The case manager establishes a claim for the FSP benefits received in April and May. Mr. B is not eligible until the later of July 1 or until he complies with the work requirements.

- #### H. Each household has a right to a fair hearing to appeal a denial or termination of FSP benefits due to a determination that an individual quit a job without good cause.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 18

130.19 Determination of Voluntary Quit (continued)

If the participating household's FSP benefits continue pending a fair hearing FSP benefits do not extend past the end of the certification period and the local department determination is upheld, the disqualification period begins the first of the month after the hearing decision is rendered.

- I. The individual disqualified for quitting a job will remain ineligible for the length of the disqualification period even if the individual joins a new household.
- J. If an application for FSP benefits is filed in the last month of the disqualification period, use the same application for denial of FSP benefits in the remaining month of the disqualification and certification for any subsequent eligible months.

130.20 Exemptions from Voluntary Quit Provisions

Voluntary quit provisions do not apply to persons who are exempt from the work registration as described in 130.5 at the time of the quit.

Exception: The provisions **do** apply when the individual is exempt because the person is working a minimum of 30 hours per week or receiving weekly earnings at least equal to the federal minimum wage multiplied by 30 hours.

130.21 Good Cause for Voluntary Quit

Good cause for leaving employment includes the good cause provisions found in 130.13 and resigning from a job that does not meet the suitability criteria in Section 130.15. Good cause for leaving employment also includes:

- A. Discrimination by an employer based on age, race, sex, color, handicap, religious beliefs, national origin or political beliefs.
- B. Work demands or conditions that make continued employment unreasonable, such as working without being paid on schedule.
- C. Acceptance of employment, or enrollment of at least half time in any recognized school, training program, or institution of higher education, that requires the individual to leave employment.
- D. Acceptance by any other household member of employment or enrollment at least half time in any recognized school, training program, or institution of higher education in another jurisdiction which requires the household to move and therefore the individual to leave employment.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 19

130.21 Good Cause for Voluntary Quit (continued)

- E. Resignations by persons under the age of 60 which are recognized by the employer as retirements.
- F. Employment that becomes unsuitable by not meeting the criteria specified in 130.15 after acceptance of the employment.
- G. Acceptance of a bona fide offer of employment of more than 30 hours a week or in which the weekly earnings are equivalent to the federal minimum wage multiplied by 30 hours which, because of circumstances beyond the control of the wage earner, either does not materialize or results in employment of less than 30 hours a week or weekly earnings of less than the federal minimum wage multiplied by 30 hours.
- H. Leaving a job in connection with patterns of employment in which workers frequently move from one employer to another such as migrant farm labor or construction work. There may be some circumstances where households will apply for FSP benefits between jobs particularly in cases where work may not yet be available at the new job site. Even though employment at the new site has not actually begun, leaving the previous employment is considered good cause if it is a part of the pattern of that type of employment.

130.22 Verification

- A. When the information given by the household is questionable, request verification of the household's statements.
- B. The household has the primary responsibility for providing the verification. If it is difficult or impossible for the household to obtain documentary evidence in a timely manner, offer assistance to the household to obtain the verification.
- C. Acceptable sources of verification include, but are not limited to, the previous employer, employer associations, union representatives, and grievance committees or organizations. Whenever documentary evidence cannot be obtained, substitute a collateral contact. The local department is responsible for obtaining verification from acceptable collateral contacts provided by the household.
- D. Do not deny FSP eligibility, if a quit resulted from circumstances that cannot be verified such as discrimination or for unreasonable work demands.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 20

130.23 Ending a Voluntary Quit Disqualification

- A. Following the end of the disqualification period an individual may begin participation in the FSP if the individual applies again and is determined eligible.
- B. The individual may re-establish eligibility during a disqualification period if the violator becomes exempt from work registration except for reasons of TCA work registration or receipt of unemployment compensation.

130.24 Able-Bodied Adults without Dependents (ABAWDs)

Please note: The ABAWD policy is suspended until 9/30/10

- A. Able-bodied adults without dependents, between the age of 18-47 (age was reduced from age 50 following the FNS 15% statewide exemption) are ineligible for FSP benefits unless they meet special work requirements. These individuals can only receive FSP benefits for three months (consecutive or otherwise) in a 36 month period unless they meet the following requirements:
 - 1. Work at least 20 hours per week (averaged monthly 80 hours per month);
 - 2. Participate in and comply with a Workforce Investment Act program, Trade Adjustment Assistance Act program, or Employment and Training program (other than job search or job search training program) for 20 hours per week;
 - 3. Participate in remedial education for 20 hours per week;

130.24 Able-Bodied Adults without Dependents (ABAWDs) (continued)

- 4. Participate in vocational training for 20 hours per week;
- 5. Participate in a work experience program governed by the Fair Labor Standards Act (FLSA) requirements; or
- 6. Combine work and participation in a work program for a total of 20 hours per week averaged monthly.

Note: The 36-month period **is fixed** for the entire caseload. **The current 36-month period began November 1, 2008 and ends October 31, 2011.**

The 36-month period for all cases began November 1, 2008 and ended October 31, 2011. The second 36-month period began November 1, 1999 and ended October 31, 2002. The third 36-month period began November 1, 2002 and ended October 31, 2005. The fourth 36-month period began November 1, 2005 and ends October 31, 2008.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 21

130.24 Able-Bodied Adults without Dependents (ABAWDs) (continued)

B. An individual is exempt from this requirement if :

1. Under 18 years of age or age 47 and older;
2. Is obviously physically or mentally unfit for employment as observed by the case manager; or has provided a statement from a health provider if the disability is not obvious; or
3. Is receiving temporary or permanent disability benefits from a public or private source;
4. Is residing in a household where a household member is a dependent child. A dependent child is an individual who is age 17 or younger;
5. Is the natural, adoptive or a stepparent of a household member age 17 or younger; (The exemption from the time limit applies even if the child under age 18 is not eligible for food stamps.)
6. Pregnant;
7. Otherwise exempt from FSP statutory work requirements (the categorical and individual exemptions do not apply) as described in 130.5.

C. Anyone denied eligibility under this work rule can regain eligibility, if during a 30-day period the individual:

1. Worked an average of 80 hours or more;
2. Participated in and complied with a qualifying work program for 80 or more hours;
3. Combined work and participation in a work program for a total of 80 hours; or
4. Participated in a workfare program.

D. If the employment or participation in a work program ends, participation can continue for up to 3 consecutive months beginning from the date the local department is notified of the change. At the end of the second 3-months of eligibility, the only cure during the 36-month period will be to comply with the work requirement as described in 130.24A or to become exempt as described in 130.24B.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 22

130.24 Able-Bodied Adults without Dependents (ABAWDs) (continued)

E. FSP benefits received do not count toward the 3-month limit if:

1. The individual is exempt from this requirement; or
2. The individual lives in an area that the Food and Nutrition Service has given a waiver due to a high unemployment rate, designation as a labor surplus area, insufficient employment opportunities, or part of the FNS 15% exemption.
 - (a) The following jurisdictions are exempt due to their designation as a labor surplus area:
 - Baltimore City
 - Somerset County
 - Worcester County
 - Dorchester
 - (b) ABAWDS in the following jurisdictions are exempt under the 15 percent exemption:
 - Allegany County
 - Garrett County
3. The individual is receiving the second three months of FSP benefits after regaining eligibility because employment or participation in a work program ended;
4. The individual is fulfilling the work requirement if he or she is:
 - (a) Working 80 hours per month (average 20 hrs. per week);
 - (b) Participating and complying with a Workforce Investment Act program, Trade Adjustment Assistance Act program or Employment and Training program (other than job search or job search training) for 20 hours per week;
 - (c) Participating in a work program and working for a total combination of 20 hours per week;
 - (d) Participating in a work experience program governed by the Fair Labor Standards Act (FLSA) requirements; or
5. The individual received a prorated FSP benefit. Any month in which the individual receives less than the full month's allotment is not considered when determining the three months of FSP benefits within a 36-month period.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 23

130.24 Able-Bodied Adults without Dependents (ABAWDs) (continued)

F. Good cause for non-compliance

1. If an individual would have worked an average of 20 hours per week, but missed some time for good cause, we will consider the individual to have met the work requirement if the absence from work is temporary and the individual keeps the job.
2. Good cause includes circumstances beyond the customer's control such as but not limited to:
 - (a) Illness;
 - (b) Illness of another household member requiring the presence of the "ABAWD" member;
 - (c) A household emergency;
 - (d) The unavailability of transportation.

G. Counting Income and Assets

1. When the ABAWD is eligible and included in a household with other eligible members include all income and assets as available to the household.

Example 1: Mr. John aged 32 lives with two friends and purchases and prepares his food with them. The three receive FSP benefits. Mr. John was fired from his job and cannot receive unemployment benefits. He has \$500 in a savings account that he saved before he lost his job. His sister sends him \$50 per month. Count the money from Mr. John's sister as unearned income and the \$500 in the bank as an asset/resource to the household.

2. If the ABAWD is ineligible for FSP benefits, but is in a household with other eligible members, prorate the ABAWD's share of the income and count it as available to the household.

Example 2: Ms. M aged 24 lives with her boyfriend and another friend. Ms. M reduced her hours at work to 5 hours per week because she wanted to be home. She had been working 22 hours per week and the reduction is determined to not be with good cause. The household receives FSP benefits. Ms. M receives alimony from her ex-husband of \$30 per month and she has \$400 in a savings account. Count the \$30 per month to the household as unearned income and the \$400 as an asset/resource because Ms. M is disqualified from the FSP for one month for voluntarily quitting her job. Ms. M is not responsible for any of the shelter costs.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 24

130.24 Able-Bodied Adults without Dependents (ABAWDs) (continued)

At the end of the month's disqualification, Ms. M is added back to the household and receives 3 months of FSP benefits. She is now ineligible to continue to receive benefits under ABAWD requirements.

Because Ms. M is now ineligible her income is prorated and made available to the house. Divide Ms. M's income (\$30 alimony) by the number of household members (3) and exclude only the portion that would be considered hers.

$\$30/3 = \10 (the portion that is Ms. M's). \$20 is countable unearned income to the household.

3. Count the full amount of the ABAWD's assets as available to the household.

Note: The case manager must remember to narrate the case record thoroughly to explain what income/assets were used and why.

H. Reporting Changes

1. ABAWDs are included in simplified reporting. (See Section 420 of the FSP manual)
2. ABAWDs must also report changes in work hours below 20 hours per week averaged monthly (80 hours per month)

130.25 ABAWD Policy Examples **ABAWD policy is suspended until 9/30/10**

A. Eligibility

1. Unless otherwise exempt, an ABAWD may receive a maximum of "3 free months" 2 times in a 36 month period.
2. After receipt of the "**1st free 3 months**" (which do not have to be consecutive) the case manager must terminate the individual because of the ABAWD policy. The individual must "regain eligibility" in order to receive the "**2nd free 3 months**" (which must be consecutive).

Reminder: To regain eligibility, the individual must complete at least 80 hours of work in 30 days or participate in and comply with the requirements of a work program for 80 or more hours or participate in a workfare program or become exempt.

3. The case manager must issue timely notice to ensure an individual receives only 3 months of non-exempt FSP benefits.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 25

130.25 ABAWD Policy Examples (continued)

B. Subsequent eligibility

1. Regaining Eligibility

Example 1: Mr. A is not exempt from the ABAWD requirement. He received his “1st free 3 months” FSP benefits in 3/99, 4/99 and 5/99. He was terminated effective 6/1/99 because he was not working and was not otherwise exempt from the ABAWD requirements. He got a construction job on 7/6/99 working 40 hours per week. He was laid off on 7/31/99. On 8/4/99 he applies for FSP benefits. Since he was terminated because of the ABAWD requirement **and** he met the requirement to regain eligibility (worked 80 hours in 30 days) and he meets all other FSP eligibility requirements, he is certified to receive the “**2nd free 3 months**” for the period 8/4/99 through 10/31/99

2. Maintaining Eligibility

Example 2: Mr. B (not exempt) received his “1st free 3 months” FSP benefits in 11/00, 12/00 and 01/01. He was terminated effective 6/1/01 because he was not working and was not otherwise exempt from the ABAWD requirements. He got a job as a mechanic on 8/11/01 working 25 hours per week. On 10/13/01 Mr. B applies for FSP benefits. At the time of application, the case manager verifies that he is still working at least 20 hours per week. Since Mr. B worked 80 hours in 30 days he regained his eligibility to maintain his eligibility. Mr. B meets all other FSP eligibility requirements and is certified to receive ongoing FSP benefits.

NOTE: Even though Mr. B had to “regain eligibility,” the months he is working 20 hours per week averaged monthly, DO NOT count against the “2nd free 3 months.”

REMEMBER: “Regain to maintain” means the individual was terminated or denied from the Food Supplement Program because of the ABAWD requirement and has subsequently worked the “80 in 30” and continues to work at least 20 hours per week averaged monthly. There is no limit to the number of times an individual may “Regain to maintain” in a 36-month period.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 26

130.25 ABAWD Policy Examples (continued)

3. Regained Eligibility

Example 3: Mr. C. (not exempt) received his “1st free 3 months” FSP benefits in 11/99, 12/99 and 1/00. He was terminated effective 6/1/00 because he was not working and was not otherwise exempt from the ABAWD requirements. He got a job as a mechanic on 8/11/00 working 25 hours per week. On 10/13/00 Mr. C applies for FSP benefits. At the time of application the case manager verifies that he is working at least 20 hours per week. Since Mr. C worked 80 hours in 30 days, he regained his eligibility to maintain his eligibility. Mr. C meets all other FSP eligibility requirements and is certified to receive ongoing benefits. Mr. C continues to work and receive FSP benefits. On 1/20/01 Mr. C reports that he lost his job on 1/16/01 because the company went out of business. Mr. C is now eligible for his “2nd free 3 months” of FSP benefits. The change in his allotment is effective for 2/01. His FSP benefits are terminated at the end of 4/01. The months of 2/01, 3/01 and 4/01 are Mr. C’s “2nd free 3 months.”

REMEMBER: Mr. C is not eligible to receive FSP benefits for the remainder of the 36-month period unless he becomes exempt from the ABAWD work requirement (by working to “regain and maintain” or being otherwise exempt).

4. There may be situations when an individual has “Regained Eligibility” for the “2nd free 3 months” but at the time of application is not eligible for FSP benefits.

Example 4: Ms. D. (not exempt) received her “1st free 3 months” FSP benefits in 3/00, 4/00 and 5/00. She was terminated effective 6/1/00 because she was not working and was not otherwise exempt from the ABAWD requirements. She got a job on 7/6/00 working 40 hours per week. She was laid off on 8/31/00. On 9/4/00 she applies for FSP benefits. At the time of application she has a savings account with a balance of \$2100.00. The case manager denied her application because of excess resources.

REMEMBER: Nothing in the ABAWD provision makes an individual eligible for benefits if the individual is not otherwise eligible for FSP benefits under FSP policy.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 27

130.25 ABAWD Policy Examples (continued)

5. REGAINED ELIGIBILITY - "WINDOW OF OPPORTUNITY"

An individual who regained eligibility remains eligible for a consecutive 3-month period, beginning on the date that individual first notifies the local department. This is the "window of opportunity" for receipt of the 2nd free 3 months.

Example 5: Mr. E (not exempt) received his "1st free 3 months" FSP benefits in 3/00, 4/00 and 5/00. He was terminated effective 6/1/00 because he was not working and was not otherwise exempt from the ABAWD requirements. He got a job on 7/6/00 working 40 hours per week. He was laid off on 8/31/00. On 9/4/00 he applies for FSP benefits. At the time of application he has a savings account with a balance of \$2100.00. The case manager denied his application because of excess resources. On 10/5/00 he completes an application for FSP benefits. He now has only \$1100.00 in his savings account and is otherwise eligible. Since Mr. E became "ABAWD eligible" on 9/4, the "window of opportunity" opened at that time. Because he applied and is eligible during the three month "window", he is authorized for FSP benefits for the months of October and November (the remaining 2 months of the 2nd free 3 months).

NOTE: When Mr. E was terminated from the FSP effective 6/1/00 because of the ABAWD policy, he immediately qualified for the "2nd free 3 months." He becomes eligible to receive those FSP benefits only after he does what is required to regain eligibility. Mr. E did what was required to regain eligibility for the "2nd free 3 months," but was not eligible for FSP benefits at the time he applied on 9/4/00. However, because Mr. E was terminated because of the ABAWD policy and subsequently did what was required to regain eligibility, the "window of opportunity" opened on 9/4/00 for the 2nd free 3 months.

REMEMBER: The "window of opportunity" opens beginning on the date the customer first tells the local department he no longer is:

- (a) working 20 hours per week averaged monthly, or
- (b) participating in and complying with the requirements of a work program for 20 hours or more per week, or participating in and complying with the requirements of a workfare program.

The "window of opportunity" remains open for 3 consecutive months.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
WORK REQUIREMENTS	Section 130	Page 28

130.25 Able Bodied Adults without Dependents (ABAWDs) Policy Examples (continued)

6. Regained Eligibility - "WINDOW OF OPPORTUNITY" CLOSES

The "window of opportunity" for receipt of the "2nd free 3 months" closes at the end of the third consecutive month.

Example 6: Ms. F (not exempt) received her "1st free 3 months" FSP benefits in 3/00, 4/00 and 5/00. She was terminated from the Food Supplement Program effective 6/1/00 because she was not working and was not otherwise exempt from the ABAWD requirements. She got a job on 7/6/00 working 40 hours per week. She was laid off on 8/31/00. On 9/4/00 she applies for FSP benefits. At the time of application she has a savings account with a balance of \$2100.00. The case manager denied her application because of excess resources. On 1/3/01 Ms. F applies again for FSP benefits. Her savings account has a balance of \$300. Ms. F has not worked since she was laid off on 8/31/00. The case manager denies the application of 1/3/01.

NOTE: Even though the "window" opened on 9/4/00, Ms. F did not apply during the remainder of the 3-month "window" and the "window" closed on 11/30/00. Once the "window" closes, in order for Ms. F to become eligible for food stamps she must again "regain" her eligibility. Since Ms. F. has done nothing to regain her eligibility subsequent to 11/30/00, the application of 1/3/01 is denied because of the ABAWD work requirements.

REMEMBER: The policy says an individual will regain eligibility to participate in the Food Supplement Program for a single three consecutive month period. Since Ms. F did not "participate" for a "2nd free 3 months" she still has the opportunity to receive those FSP benefits once she does what is required to regain eligibility.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESOURCES	Section 200	Page 1

200.1 Purpose

This section describes the Food Supplement Program (FSP) resource limitations, included and excluded resources, and disqualification for certain transfers of resources.

200.2 General Information

Uniform resource eligibility limits must be applied to all households. The maximum allowable non-exempt resource limit is \$2,000. Households containing an elderly member (age 60 or over) or disabled member are permitted to have \$3,000 in non-exempt resources. See Food Supplement Program Manual section 212.3B 2-13 for the list of benefits that make the household eligible for the higher resource standard because of disability.

Note: The resource limits described above **do not apply** to categorically eligible households as described in section 115 (Categorical Eligibility) of this manual.

200.3 Included Resources

- A. **Document** a household's resources at the point of application in sufficient enough detail to permit verification. **Verify** the source, amount and frequency of all non-exempt resources.
- B. Verify non-exempt resources at application and recertification.
- C. The value of non-exempt resources is the equity value. The equity value is the fair market value less any amount owed on the resource.



200.31 Countable Resources

Consider the following when determining the value of a household's resources:

- A. Liquid resources, such as:



1. Cash on hand, and
2. Checking or savings accounts.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESOURCES	Section 200	Page 2

200.31 Countable Resources (continued)

C. Non-recurring lump sums

Consider non-recurring lump sums as a resource in the month received unless otherwise excluded. Lump sum payments include but are not limited to the following:

1. Income tax refunds, rebates, or credits;
2. Retroactive Social Security benefits, SSI, TCA, Railroad Retirement or any other retroactive benefits payment;
3. Lump sum insurance settlements;
4. Refunds of rent or utility deposits;
5. Cash lottery prizes; and
6. A Welfare Avoidance Grant (WAG)

Reminder: Some WAG payments are reimbursements. See Sec. 211.3G for treatment of reimbursements.

Note: Interim assistance to families awaiting benefits from unemployment, social security or SSI may not be excluded as a non-recurring lump sum payment because the payment is designed to provide assistance for normal living expenses.

If the local department anticipates only one payment, consider it a non-recurring lump sum payment if it meets the above criteria. However, if a second payment is made later in the same 12 month period, do not consider the second payment a non-recurring lump sum. Either count the second WAG payment as income or, if applicable, exclude it as a reimbursement.

If more than one payment is anticipated, count them as income or, if applicable, exclude them as reimbursements.

200.32 Jointly Owned Resources

- A. Consider resources owned jointly by two or more households totally available to the applicant unless the applicant can demonstrate that the resource is inaccessible.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESOURCES	Section 200	Page 3

200.32 Jointly Owned Resources (continued)

- B. Consider a resource unavailable to the household if it cannot be practically subdivided and the household's access to it is dependent on the agreement of the joint owner who refuses to comply.
- C. Count only the accessible portion if a household has access to only a portion of a resource. Disregard the entire value of the resource if it is totally inaccessible because the joint owner refuses to cooperate.
- D. Consider the resources of residents of shelters for battered women and children (as defined in Section 103 of this manual) as inaccessible when:
 - 1. The resources are jointly owned by members of their former household; and
 - 2. The resident's access to the resources is dependent on the agreement of the joint owner who still resides in the former household.

200.33 Resources of Non-Household Members

- A. Exclude the resources of non-household members, such as ineligible students, unless the individual is:
 - 1. Disqualified for failure to provide a social security number,
 - 2. An ineligible alien,
 - 3. Disqualified for an Intentional Program Violation (IPV),
 - 4. A felony drug felon,
 - 5. A fleeing felon,
 - 6. Disqualified for failure to comply with work requirements, or
 - 7. An Able-bodied adult without dependents (ABAWD).
- B. For the above categories of disqualified persons, count the person's resources as available to the remaining eligible household members.

200.4 Excluded Resources

Certain resources are not counted when determining whether a household is below the allowable resource limit.

200.41 Excluded Resources

- A. Exclude all resources except for cash on hand and checking and savings accounts. B – H describes resources that may be deposited in a bank account but are excluded.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESOURCES	Section 200	Page 4

200.41 Excluded Resources (continued)

B. Disaster-related loans and grants

Exclude any governmental payment designated to restore a home damaged in a disaster, if the household is subject to a legal sanction for using the payment for other purposes.

C. Inaccessible resources

1. Inaccessible resources include but are not limited to the following:

- (a) Irrevocable trust funds;
- (b) Inaccessible jointly owned resources;

2. Consider as inaccessible any funds in a trust, or transferred to a trust, including income produced by the trust if:

- (a) The trust arrangement is not likely to end during the certification period;
- (b) No household member has the power to revoke the trust arrangement or change the name of the beneficiary during the certification period;
- (c) The trustee administering the fund is either:
 - (i) A court, or an institution, corporation, or organization that is not under the direction or ownership of any household member, or
 - (ii) An individual (including a household member) who has court imposed limitations to restrict use of the fund to benefit the specific person named by the trust;
- (d) Trust investments made on behalf of the trust do not directly involve or assist any business or corporation under the control, direction or influence of a household member; and
- (e) The funds in the irrevocable trust are either from:
 - (i) The household's own funds solely to make investments on behalf of the trust to pay the educational or medical expenses of any person named by the household creating the trust, or
 - (ii) Non-household funds by a non-household member.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESOURCES	Section 200	Page 5

200.41 Excluded Resources (continued)

D. Resources that have been prorated as income

This includes income of students or self-employed persons

E. Resources/income excluded by federal statute

1. Benefits received under the special supplemental food program for women, infants and children (WIC);
2. Benefits received under the National School Lunch Act (School Lunch Program, Summer Food Service Program for Children, Commodity Distribution Program, Child and Adult Care Food Program);
3. Benefits received under the Disaster Relief Act;
4. Benefits received under the Higher Education Act;
5. Benefits received from the Workforce Investment Act except for on-the-job training payments to:
 - (a) Youths, other than dependents under 19 years old, in year round programs, and
 - (b) Adults;
6. Benefits received under the Agent Orange Compensation Exclusion of 1989;
7. Benefits received under the Radiation Exposure Compensation Act of 1990;
8. Benefits received under the Civil Liberties Act of 1988 (Wartime Relocation of Civilians);
9. Benefits received under the Crime Act of 1984;
10. Benefits received under the Nazi Persecution Crime Act;
11. Benefits received under Public Law 104-204 (Payments to a child of a Vietnam veteran for a disability resulting from spina bifida suffered by the child);
12. Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970;



DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESOURCES	Section 200	Page 6

200.41 Excluded Resources (continued)

13. Payments received under the Alaska Native Claims Settlement Act or the Sac Fox Indian claims agreement;
14. Payments received by certain Indian tribal members involving sub-marginal land held in trust by the United States;
15. Payments received from the disposition of funds to the Grand River Band of Ottawa Indians;
16. Payments received by the Confederated Tribes and Bands of the Yakima Indian Nation and the Apache Tribe of the Mescalero Reservation from the Indian Claims Commission;
17. Payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1990;
18. Payments of relocation assistance to members of the Navajo and Hopi Tribes;
19. Energy assistance payments under the following circumstances:
 - (a) Federal energy assistance, except that provided under Title IV-A of the Social Security Act (Personal Responsibility and Work Opportunity Reconciliation Act of 1996);
 - (b) Federal or State one-time assistance for weatherization or emergency repair, or replacement of heating or cooling devices;
 - (c) Low-Income Home Energy Assistance Program (LIHEAP) payments or allowances. This funds the Maryland Energy Assistance Program (MEAP);
 - (d) State or local general assistance for energy assistance which (under State law cannot be provided in cash directly to the household);
20. All student financial assistance;
21. Any Federal, State, or local Earned Income Tax Credit (EITC),



DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESOURCES	Section 200	Page 7

200.41 Excluded Resources (continued)

- F. Where an exclusion applies because of the use of a resource by or for a household member, the exclusion will also apply when the resource is used by or for an ineligible alien or disqualified member whose resources are counted as part of the household's resources.
- G. The resources of any household member who receives SSI, TCA or TDAP or Public Assistance to Adults (PAA).
- H. Funds deposited into an individual development account (IDA).

200.42 Handling Excluded Funds

- A. Excluded funds, including any interest earned on those funds, kept in a separate account remain excluded indefinitely.
- B. Any excluded funds co-mingled in an account with other funds remain exempt for six months only. Six months after the funds are co-mingled, consider all funds in the account before the end of the sixth month a countable resource.
- C. Once excluded funds are co-mingled, they cannot later be withdrawn and placed in a separate account for the purposes of an exemption.



EXCEPTION: The resources of students and self-employed persons that have been prorated as income retain their exclusion for the period of time over which they were prorated.

200.43 Verification

Verification of an excluded resource is not ordinarily required because the resource does not affect household eligibility. Request verification in questionable cases (e.g. the household misrepresents an otherwise countable resource as one that would be excluded).

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESOURCES	Section 200	Page 8

200.5 Transfer of Resources

- A. At application, request households to provide information regarding any resources the household has transferred during the three-month period immediately preceding the date of application.
- B. Disqualify from participation in the FSP those households that transfer resources knowingly, for the purposes of qualifying or attempting to qualify for benefits (the disqualification period is for up to one year from the date of discovery of the transfer).
- C. The disqualification penalty also applies to households that transfer resources after they are determined eligible for the purpose of remaining eligible. For example, a household acquires a resource after being recertified, and transfers the resource to avoid exceeding the resource limit.

200.51 Acceptable Transfers

The following transfers do not affect eligibility for FSP:

- A. Resources that do not otherwise affect eligibility, including resources that are already excluded or resources that, when added to all other non-exempt resources, would not put the household over the limit;
- B. Resources that are sold or traded at, or near, fair market value.

Note: Evaluate as a resource the money or items received in trade, unless the resource is otherwise exempt. If a household subsequently transfers the money or items, evaluate the second transfer separately.

- C. Resources that are transferred between members of the same FSP household;
- D. Resources that are transferred for reasons other than qualifying or attempting to qualify for benefits. For example, a parent sets up an educational trust fund that meets the definition of an excludable trust fund.

200.52 Establishing a Disqualification

Give households a reasonable opportunity to explain the circumstances surrounding a transfer of resources. Do not disqualify the household if the household can establish a valid reason for the transfer, other than the intent to qualify.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESOURCES	Section 200	Page 9

200.52 Establishing a Disqualification (continued)

- A. Deny the household's application if it is determined it transferred resources knowingly, with the intent to qualify for benefits. The denial notice must state the reason for and length of disqualification as well as the right to a fair hearing.
- B. The disqualification period begins with the month of application.
- C. Send a Notice of Adverse Action explaining the reason for and length of the disqualification if a household's case is active at the time a transfer is discovered.
- D. The disqualification period begins with the first allotment following the expiration of the adverse action period, unless the household requests a fair hearing and continued benefits (benefits are not continued if the certification period has expired and eligibility has not been redetermined).
- E. Do not impose a disqualification penalty more than once for the same transfer. The case manager must very clearly document that the disqualification was implemented.

200.53 Determining the Length of the Disqualification

- A. Base the length of disqualification on the amount that **exceeds** the resource limit when the value of the transferred resource is added to all other countable resources.
- B. To determine the length of the disqualification period:
 1. Add the value of the transferred resource to the total countable resources;
 2. Subtract the appropriate resource limit from the total amount;
 3. The remainder is the amount in excess of the resource limit that is used to determine the length of the disqualification:

AMOUNT IN EXCESS OF RESOURCE LIMIT	PERIOD OF DISQUALIFICATION
\$ 0 - 249.99	1 Month
250 - 999.99	3 Months
1,000 - 2,999.99	6 Months
3,000 - 4,999.99	9 Months
5,000 or More	12 Months

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESOURCES	Section 200	Page 10

200.53 Determining the Length of the Disqualification (continued)

EXAMPLE: A one-person household, with \$5,000 in the bank, transfers \$3,500 to a relative. A determination is made that the transfer was made for the purpose of qualifying for the program, resulting in disqualification of the household. The amount in excess of the resource limit is computed as follows:

\$ 3,500	Transferred amount
<u>1,500</u>	Bank account
\$ 5,000	(total resources)
<u>- 2,000</u>	(resource limit)
\$ 3,000	(excess resources)

Based on this computation, the household is disqualified for a period of 9 months.

201.1 Purpose

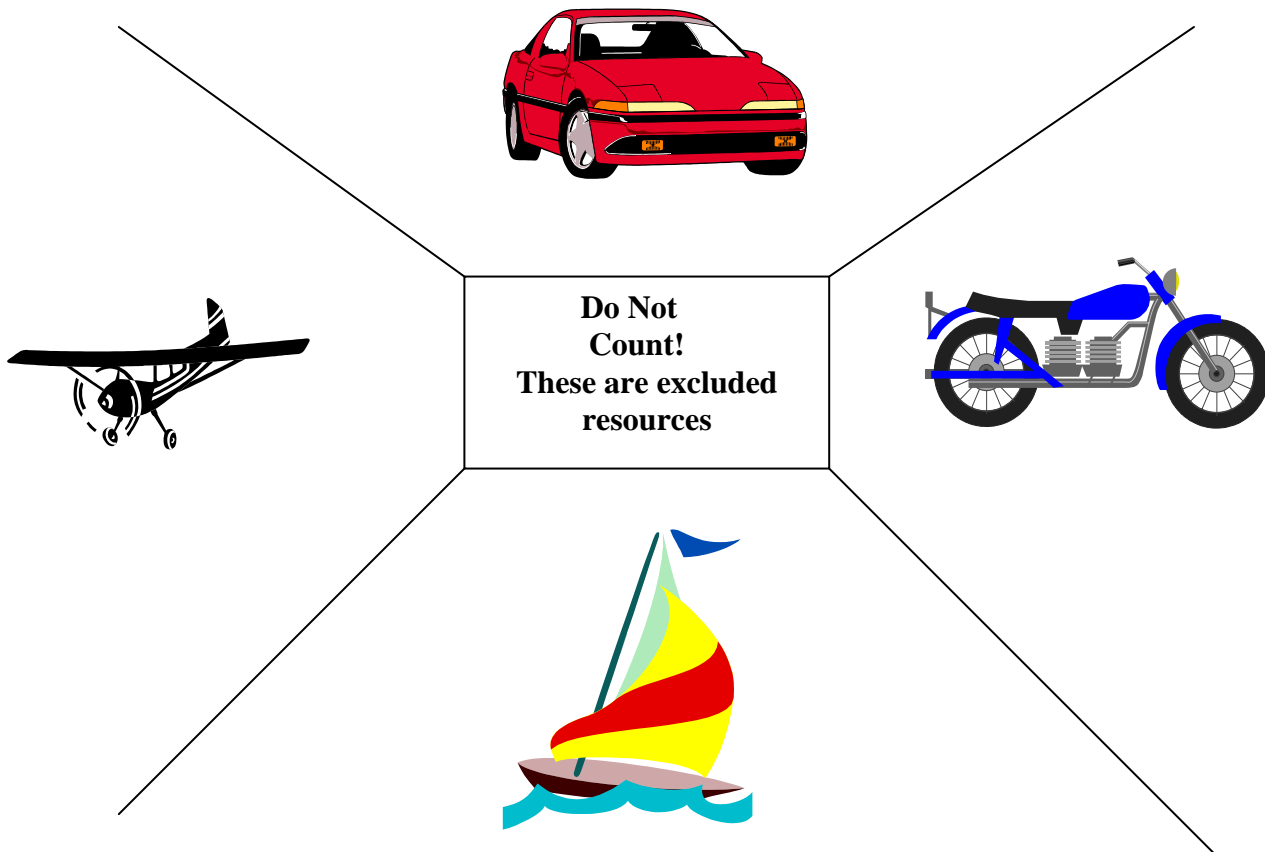
This section describes the treatment of vehicles.

201.2 General Information

All vehicles are excluded resources when determining Food Supplement Program (FSP) eligibility. The type of vehicle does not matter (automobile, boat, recreational vehicle, or airplane etc.).

Case managers are not required to complete motor vehicle screens to verify ownership of any vehicle.

Vehicle and insurance payments **are still** considered when exploring the possibility of deficit budget.



DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME	Section 210	Page 1

210.1 Purpose

This section describes income factors that the case manager must consider when determining Food Supplement Program (FSP) eligibility and benefit levels. It defines income that must be included in the eligibility determination.

210.2 General Information

When determining eligibility for the FSP the local department will:

- A. Evaluate the household's total income. Some of the household's income may be excluded from consideration (see Section 211, Excluded Income).
- B. Determine the excluded income first, as it will have no impact on the household's eligibility.
- C. Identify and verify all included income and correctly enter the income on CARES.

210.3 Included Income

- A. All earned income and unearned income of each household member is included unless specifically excluded.
- B. Identification of income as earned, self-employment, or unearned determines whether the household is entitled to the earned income deduction.

210.31 Earned Income

- A. The case manager will use the **gross** amount of earned income.
- B. No deductions are given for taxes, etc.
- C. A 20 percent earned income deduction is applied to earned income.
- D. Earned income includes:
 1. Wages, including tips;
 2. Salaries;
 3. Vacation pay;



DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME	Section 210	Page 2

210.31 Earned Income (continued)

4. Garnishments from wages, such as child support payments.
 - (a) Garnishments may appear as deductions from gross pay. Count the gross wages.
 - (b) Do not count an amount withheld to re-pay a prior over-payment received from that same source.
5. Sick benefits paid by an employer to an employee who expects to return to work;
6. Striker's income prior to the strike as if it were still being received;
7. Training Allowances

Training allowances from vocational and rehabilitative programs recognized by federal, state or local governments are earned income when they are not reimbursements, or to the extent they exceed the expenses they are intended to reimburse. (See Section 211 (G) for treatment of reimbursements.)

8. Earnings from the Workforce Investment Act.

Consider as earned income earnings of individuals who are participating in on-the-job training programs under the Workforce Investment Act. This does not apply to household members under age 19 who are under the parental control of another adult member, regardless of school attendance. (See Section 211.3 (K) for a complete listing of excludable income under Federal statute.)

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME	Section 210	Page 3

210.31 Earned Income (continued)

E. In certain special households, income may be treated differently. These special households are described in the following sections:

- Section 101 – Strikers
- Section 102 – Students
- Section 103 – Residents of Shelters
- Section 104 – Self employed Households/Farmers
- Section 105 – Households with Boarders
- Section 108 – Households with Non-Members or Disqualified Members
- Section 109 – Residents of Group Living Arrangements, Veterans and Spouses/Children; Elderly and Disabled Living with others
- Section 401 – Expedited Households

F. Military Re-Enlistment Bonuses may be paid in two ways and it is up to the branch of the military to decide who is eligible to receive a bonus and how it is paid:

1. A lump sum which is considered a non-recurring lump sum payment (resource) in the month received, or
2. As a 50% lump sum and the balance in annual payments. The **entire bonus amount** is counted as earned income.
 - (a) Average the initial lump sum over a 12 month period
 - (b) Treat remaining payments as an annuity and average over 12 months.

210.32 Self-employment Income

A. Consider as income the earnings from self-employment.

B. Calculate self-employment income in the following manner:

1. Households with self-employment income receive a 30 percent earned income deduction applied to its gross earnings. The deduction is intended to

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME	Section 210	Page 4

210.32 Self-Employment Income (continued)

cover the self-employed household's cost to do business. If entered correctly, CARES will compute the deduction. (See Section 104 for more information about self-employed households.)

2. Apply the 20% earned income deduction to the net income amount.

Example: A self-employed daycare provider had \$12,000 gross annual income from her business. The annualized amount is \$1,000 per month. 30% of \$1,000 is \$300. \$1,000 minus \$300 equals \$700. 20% of \$700 is \$140. \$700 minus \$140 equals \$560. \$560 is this customer's net earned income from self-employment.

- (a) NOTE: Consider as self-employment income rental payments received by individuals who own rental property. If the individual is actively engaged in management of the rental property at least 20 hours per week, treat the income as earned income and allow the 30 percent cost-to-produce income deduction. If the individual spends less than 20 hours per week managing the property, treat the income as unearned income after subtracting the 30 percent deduction for cost-to-produce.

Example: Mr. and Mrs. Brown own a duplex. They live duplex A and rent out duplex B. They receive \$500 monthly in rental payments from duplex B. They do not spend 20 hours per week in the management of the property. They are entitled to a 30 percent self-employment deduction. ($\$500 \times .30 = \150). The household's countable rental income is \$350.

- (b) Treat room and/or board income as earned income regardless of the time spent in this activity, if the roomers and/or boarders live with the FSP household. Deduct 30 percent of the gross roomer and/or boarder income as the cost-to-produce. Then apply the 20 percent earned income deduction. The remainder is the adjusted net income and is countable earned income for the household.

210.33 Unearned Income

- A. The local department will use the gross amount of unearned income. No deductions are given.

Example: No deduction is made from Social Security benefits for Medicare. No deduction is made for taxes withheld from Unemployment or retirement benefits or from Worker's Compensation.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME	Section 210	Page 5

210.33 Unearned Income (continued)

B. Unearned income, to which the earned income deduction cannot be applied, includes the following:

1. Assistance payments based on need, such as:
 - (a) Temporary Cash Assistance (TCA),
 - (b) Temporary Disability Assistance Program (TDAP)
 - (c) Supplemental Security Insurance (SSI),
 - (d) Foster care and guardianship care **only when the child is included in the FSP household,**
 - (e) Adoption subsidies;
 - (f) Public Assistance to Adults (PAA).
2. Annuities,
3. Pensions,
4. Retirement benefits,
5. Severance pay,
6. Veteran's benefits,
7. Disability payments,
8. Unemployment insurance benefits,
9. Strike benefits,
10. Gross rental income from rental property when the household member is not actively engaged in management of the property at least 20 hours per week, less the 30 percent cost-to-produce,
11. Support or alimony payments made directly to the household by non-household members.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME	Section 210	Page 6

210.33 Unearned Income (continued)

12. Payments from government-sponsored programs,
13. Income from annuities or dividends, even when not withdrawn,
14. Interest and royalties,
15. Assistance payments from programs that require as a condition of eligibility the actual performance of work without compensation, other than the assistance payment,
16. Unearned income of a sponsor and the sponsor's spouse (if living with the sponsor) that is deemed available to a sponsored immigrant, and
17. All other direct money payments that can be construed to be a gain or benefit to the household.

210.34 Income of an Ineligible or Disqualified Individual

- A. Count the earned or unearned income in its entirety, minus the appropriate deductions, of an individual disqualified from the household for an individual:
 1. Disqualified for Intentional Program Violation as described in Section 480,
 2. During any period he or she is fleeing to avoid prosecution, custody or confinement after conviction for a felony, or violating a condition of parole or probation,
 3. Convicted of an offense occurring after August 22, 1996 that is classified as a drug felony,
 4. Noncompliance with work requirements as described in Section 130.
- B. Count as income the earned or unearned income, less a pro rata share for the individual or individuals who are ineligible:
 1. For failure to comply with social security requirements as described in Section 405,

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME	Section 210	Page 7

210.34 Income of an Ineligible or Disqualified Individual (continued)

2. For failure to comply with the able-bodied adult without dependents (ABAWD) work requirements (such as failing to be employed an average of 80 hours per month) as described in Section 130.24, or
3. Because they do not meet citizenship or immigrant requirements as described in Section 120.

210.35 Third Party Payments

- A. The local department will count third party payments as household income.
- B. A third party payment is money owed to a household, but paid directly to someone outside the household for a household expense.
- C. Third party payments include:
 1. Wages that are withheld by the employer and paid directly to a third party for household expenses such as rent, property taxes, or child support,
 2. Public Assistance payments that are sent to a third party or to a protective payee for a purpose such as managing the household's expenses,
 3. Money deducted from a court order or binding written support or alimony payment and sent to a third party for household expenses, and
 4. Money deducted to repay a prior underpayment of taxes to the IRS. This includes any payments specified by a court order to go directly to a third party rather than the household

210.36 Failure to Comply with a Federal, state or Local Means-tested Assistance Program

- A. Reduction of Public Assistance Benefits
 1. When a household's means-tested public assistance is reduced or terminated because a household member fails to perform an action required under the assistance program, count the full amount of the public assistance payment as phantom income for FSP benefits. This is done so that the FSP benefits will not increase. Examples of means-tested programs include TCA TDAP, and PAA.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME	Section 210	Page 8

210.36 Failure to Comply with a Federal, state or Local Means-tested Assistance Program (continued)

Note: SSI is not a public assistance program for the purposes of phantom income policy.

2. The failure to comply with a requirement of the means-tested program does not have to be intentional.
3. If the local department is unsuccessful in obtaining the necessary cooperation from another State, federal or local means-tested program, it will not be held responsible for noncompliance with the rule as long as a good faith effort has been made to get the information.
4. The income from the means-tested program is frozen at the same amount received before the penalty.

B. Procedural vs. Substantive Requirements.

1. A procedural requirement, which does not trigger phantom income, is a step that a customer must take to continue to get assistance, such as providing verification. **Do not use phantom income for a procedural requirement.**
2. A **substantive requirement**, which **does trigger FSP phantom income**, is a behavioral requirement that is designed to improve the well being of the household. Examples include:
 - (a) Work and child support requirements,
 - (b) Requirements for school attendance,
 - (c) Requirements for health checkups for children under age 6,
 - (d) Compliance with substance abuse requirements.

C. Limits on Imposing the Sanction.

1. This policy does not apply to customers who fail to perform a required action at the time of application;
2. This policy applies at the time of redetermination for continued benefits if there is no break in participation;
3. The customer must be certified for FSP benefits at the time of the failure to perform the required action.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME	Section 210	Page 9

210.36 Failure to Comply with a Federal, State or Local Means-tested Assistance Program (continued)

Example: Mr. B receives TCA for himself, his wife and children. They do not receive FSP benefits. In April Mr. B refused to participate in a work activity and the TCA is closed. In May Mr. B applies for FSP benefits. The case manager will not use phantom income in this situation.

4. Assistance payments are “reduced” if they are decreased, suspended or terminated.

D. Penalty Periods for TCA

1. Failure to Comply with a Child Support Requirement - Failure to comply without good cause results in a full family sanction. The penalty will end upon compliance with the program requirement.
2. Failure to Comply with a Work Requirement - For noncompliance with a work activity the penalty period will end as follows:
 - (a) For the first instance of noncompliance, the penalty ends upon compliance.
 - (b) For the second instance of noncompliance, the penalty ends 10 days after compliance with the activity.
 - (c) For the third and subsequent instance of noncompliance, the penalty period ends after 30 days of compliance with the work requirement.
3. Finding of Fraud - An assistance unit is ineligible for the following periods of time upon a finding of fraud by a court of law:
 - (a) For six months after the first finding of fraud or until full repayment of the overpayment,
 - (b) For 12 months after the second finding of fraud or until full repayment of the overpayment,
 - (c) Permanently after the third finding of fraud.
4. Failure to comply with substance abuse requirements.
5. Failure to obtain preschool health or to ensure the school attendance of children in the home. This is a \$25 disallowance.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME	Section 210	Page 10

210.36 Failure to Comply with a Federal, State or Local Means-tested Assistance Program (continued)

- E. After a finding of fraud in the TCA program, continue the FSP certification period until it expires. If the household reapplies for FSP benefits during the TCA penalty period, when possible, establish a certification period that ends at the same time the TCA penalty ends.

Example: An assistance unit that had received \$527 TCA grant is terminated because of a second fraud finding. The family is ineligible for TCA for 12 months. The TCA amount countable for FSP benefits until the end of the penalty period is \$527.

- F. Ending a TCA Penalty Period Without Compliance

In some situations a penalty period for noncompliance with a requirement is ended and the sanction is considered cured even though an individual does not technically comply with the TCA program requirement. When a penalized household becomes technically or financially ineligible for TCA or another means-tested benefit, the frozen income is no longer counted in the calculation of the FSP benefit.

- G. Include the TCA benefit received prior to the reduction or closure of TCA as income for FSP benefits when a TCA assistance unit is sanctioned for failing to comply with a requirement of Family Investment Program (FIP) or when an assistance unit member has been found guilty of fraud.
- H. Take action on changes in household circumstances that are not related to the penalty imposed by a means-tested program.
- I. Count the public assistance benefit to maintain the FSP benefit at the same level during the period of reduction, suspension, or termination.
- J. Count the amount recouped from a public assistance benefit for **intentional** household caused overpayments.

210.4 Verification

- A. Verify gross non-exempt income at application and recertification.
- B. See Section 420 for required verification when a change is reported.
- C. The primary source for obtaining verification of income is the applicant. Verification may be made from documentary sources such as pay stubs or from

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME	Section 210	Page 11

210.4 Verification (continued)

verbal or written statements made by the employer or the agency from which the income is received.

- D. In addition to verifying reported income, the local department may need to consider the possibility of unreported income. Some situations that may indicate unreported income are:
1. State Verification Exchange System (SVES) indicates receipt of Social Security Administration administered benefits.
 2. Maryland Automated Benefit System (MABS) indicates work history or receipt of unemployment insurance benefits
 3. Shelter payments exceed reported income
- E. Verify earned income through the applicant whenever possible by viewing the following:
1. Pay stubs or pay envelopes
 2. Employee's W-2 form
 3. Wage tax receipts
 4. State or federal income tax forms
- F. Other sources of verification include:
1. Employers wage records
 2. Statement from employer
 3. MABS/SVES
 4. Court support order, divorce or separation papers
 5. Award letters

NOTE: In cases where attempts made by the applicant and/or agency to obtain verification are unsuccessful because the source of the income is uncooperative, and all other sources of verification have been tried, do not deny the household solely on this basis. Consult with the applicant and use the best available information to arrive at an amount to be used.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 1

211.1 Purpose

This section defines which types of income are excluded from consideration when determining the household's eligibility and benefit level for the Food Supplement Program (FSP).

211.2 General Information

The local department will not count income from certain sources when determining a household's eligibility and allotment.

The local department must verify excluded income when the household has no included income or very low income and the presence of the excluded income explains how the household can live without income.

211.3 Excluded Income

The local department will exclude only the following types of income. Treat all other income as included income.

A. Infrequent and Irregular Income.

Any income in the certification period which is received too infrequently or irregularly to be reasonably anticipated provided:

1. Earned income does not exceed \$30 in a calendar quarter. If the amount exceeds \$30, the full amount is counted as income; and
2. Unearned income does not exceed \$200 every 6 months. If the amount exceeds the limit, the full amount is counted as income.

B. Educational Assistance.

Educational assistance, which is awarded to a household member enrolled at a recognized institution of post secondary education, at a school for the handicapped, in a vocational education program, or in a program that provides for obtaining a secondary school diploma or the equivalent of a secondary school diploma. This includes but is not limited to:

1. Grants,
2. Scholarships,
3. Fellowships,
4. Educational loans on which payment is deferred,
5. work study,
6. Veteran's educational benefits.



DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 2

211.3 Excluded Income (continued)

C. Loans.

1. All loans, including loans from private individuals as well as commercial institutions.
2. A formal repayment agreement is not required; however, the intent to repay the loan must exist. The case manager may accept the household's statement regarding the repayment agreement. In questionable cases, obtain a signed statement regarding the repayment obligation from the individual making the loan.
3. Do not confuse loans with advances in income. The local department will count an income advance as income when it is received.

D. Money Received and Used for a Non-Household Member.

1. Money received for the care and maintenance of a third party beneficiary who is not a household member includes payments to a guardian or protective payee for care of a non-household member.
2. If the intended beneficiaries of a single payment are both household and non-household members, exclude only that portion of the payment intended for the non-household member. Consider the household member's share, unless otherwise excluded.

EXAMPLE: A TCA child is attending Maryland School for the Deaf. The child is included in the TCA grant. A pro-rata share of the TCA grant is excluded and the child is excluded from the FSP benefit household during the school year.

EXAMPLE: Ms. A is applying for FSP benefits for herself only. She is the payee for her son's social security check. Her son lives in a group home. She uses the entire amount of his SSA check to pay his bills. The son's social security benefit is not counted as income for Ms. A's FSP benefits. Reminder: If she uses part of her son's social security benefit for her own expenses, we would count that portion as income available to her household.

NOTE: If the non-household member's portion cannot be readily identified prorate the payment evenly among the intended beneficiaries. Exclude as income the non-household member's prorated portion or the actual cost of care and maintenance, whichever is less.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 3

211.3 Excluded Income (continued)

E. Earned Income of a Child.

1. The earned income of elementary or high school students (including those who attend GED or home-school classes that are recognized, operated or supervised by the State or the student's local school district) who are members of the household and are 17 years old or younger.
2. The student must live with his/her natural, adoptive or stepparents or be under the parental control of a household member other than a parent.
3. The student must be attending school for enough time for the State or local school district to consider the person a student regardless of the amount of time spent in class. This exclusion applies during school breaks and vacations provided the student plans to attend when regular sessions resume.
4. If the student's portion of earned income cannot be differentiated from that of other household members, the income is evenly prorated among all the individuals who earned the income. Do not consider the student's pro-rata share. Do not exclude the earned income of an elementary or high school student who lives on his/her own.

NOTE: Count earned income with the month following the month in which the student turns 18.

F. Nonrecurring Lump Sum Payments.

1. The local department will exclude nonrecurring lump-sum payments including payments a household expects to receive during the certification period.
2. These payments include, but are not limited to:
 - (a) income tax refunds,
 - (b) rebates, or credits,
 - (c) retroactive lump-sum Social Security and SSI payments,
 - (d) SSI lump sum installment payments,
 - (e) Railroad retirement benefits or other payments,

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 4

211.3 Excluded Income (continued)

- (f) lump-sum insurance settlements, or
 - (g) refunds of security deposits on rental property or utilities.
3. Treat non-recurring lump-sum payments as a resource in the month received, unless specifically excluded by Federal statute.

G. Reimbursements for Past or Future Expenses.

1. To be excluded, the reimbursement must be for a specifically identified expense (other than normal living expenses) and used for the purpose intended.
2. Consider as income any portion for reimbursement that exceeds actual incurred expenses. A reimbursement is not considered excessive, unless the provider of the payment or household indicated it was.
3. Do not exclude reimbursements that represent a gain or benefit to the household. For example, reimbursements for normal household living expenses such as rent or mortgage, personal clothing or food eaten at home, are a gain or benefit and, therefore, not excludable.

NOTE: When a reimbursement covers several expenses they do not have to be separately identified, unless part of the reimbursement covers normal living expenses.

4. Examples of excludable reimbursements are:
 - (a) Reimbursements or flat allowances over the regular wage for job or training related expenses such as travel, per diem, uniforms and transportation to and from the job or training site. Reimbursement for travel expenses incurred by migrant workers are also excluded.

NOTE: If a household incurs job or training-related expenses and is not reimbursed, those expenses cannot be deducted from the earnings. Deductions are limited to those contained in section 212.
 - (b) Reimbursements to volunteers for out-of-pocket expenses incurred in their work.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 5

211.3 Excluded Income (continued)

- (c) Reimbursements for medical expenses or dependent care. This includes day care and attendant care payments for services provided by non-household member.
- (d) Reimbursements received by households to pay for services, other than normal living expenses provided by Title XX of the Social Security Act.

H. Income In-kind.

The local department will exclude any gain or benefit which is not in the form of money payable directly to the household, such as meals, clothing, public housing, produce from a garden, shelter provided by an employer.

I. Vendor Payments.

A vendor payment is money or an in-kind payment not owed to the household and paid directly to someone outside the household for a household expense. However, not all vendor payments are excludable.

1. The local department will exclude the vendor payments if:
 - (a) The person making the payment is not a household member;
 - (b) The person or organization uses its own funds to make a direct payments to pay the household's creditors or a person or organization providing a service to the household.
 - (c) EAFC payments and joint TCA vendor payments made by a third party, which are issued to the household and provider, such as an EAFC grant for a refrigerator. If the household has full access to a payment, it cannot be excluded.
 - (d) A payment by a friend or relative who is not a household member directly to the landlord for rent.
 - (e) Rent or mortgage payments made by the Department of Housing and Urban Development (HUD) to the landlord or mortgage holder.
 - (f) Payments by a government agency to a child care institution to provide care for a household member.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 6

211.3 Excluded Income (continued)

- (g) Payments made under a court order or other legally binding agreement, which requires direct payment to a third party.

Reminder: An expense covered by an excluded vendor payment (except for MEAP payments) or an excluded reimbursement is not deductible.

2. A vendor payment is not excluded and must be counted as income under the following circumstances:

- (a) Payments made directly to the household rather than a third party.
- (b) Funds that are otherwise owed to the household, but diverted to a third party for payment of household expenses. Such funds include wages, a public assistance grant, and court ordered support or alimony payment (or other binding written support or alimony agreement) the household is entitled to. If an employer, agency, or former spouse diverts these funds to a third party to pay a normal household expense, such as rent or utilities, the payment is included as income.

EXAMPLE: Consider as income wages that are earned by a household member and diverted by the employer to a third party for household expenses. However, if the employer pays an expense or provides shelter in addition to paying the regular wage, exclude the payment because the money was not owed to the household member as part of the regular wages.

- (c) All or part of a public assistance grant which would normally be made in a money payment to the household, but which is diverted to third parties or to a protective payee, for purposes such as managing a household's expenses.

J. Child Support Payments Received by TCA Recipients.

Child support payments received by TCA recipients which must be transferred to IV-D to maintain TCA eligibility. This exclusion applies even if the household does not send direct child support to IV-D.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 7

211.3 Excluded Income (continued)

K. Income Excluded by Federal Statute.

Any income that is specifically excluded by any other Federal statute as income for FSP purposes. The following laws provide an exclusion:

1. The National School Lunch Act
2. The Child Nutrition Act of 1966
3. Veterans' Benefits Improvement and Health Care Authorization Act of 1986
4. The Disaster Relief Act of 1974 including:
 - (a) Disaster Relief employment funded under national emergency grants
 - (b) Disaster unemployment assistance
5. Earnings under section 204(b)(1)(C) or section 264(c)(1)(A) of the Workforce Investment Act are counted except for the earnings of a household member who is less than 19 years under parental control of another adult member.
6. The Low-Income Home Energy Assistance Act of 1986
7. The Higher Education Amendments of 1992 (See Section 211.3)
8. The Housing and Community Development Act of 1987
9. The Child Care and Development Block Grant Act
10. Public Law 103-286 (Payments made to individuals because of their status as victims of Nazi persecution.)
11. The Crime Act of 1984
12. Public Law 104-204 (A monthly allowance paid to a child of a Vietnam veteran born with spina bifida.)
13. The Uniform Relocation Assistance and Real-Property Acquisition Policy Act of 1970.
14. The Civil Liberties Act of 1988 (Wartime Relocation of Civilians)
15. Agent Orange Compensation Exclusion Act of 1989.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 8

211.3 Excluded Income (continued)

16. Radiation Exposure Compensation Act of 1990.
17. Military Combat Pay
18. The National and Community Service Trust Act of 1993. Americorps payments fall under this act.
19. Cranston-Gonzales National Affordable Housing Act of 1990.
20. Housing and Community Development Act of 1992 (Youthbuild Program). Treat payments received under this Act like JTPA payments as described in section 211.3(J) (5).
21. Payments received under the Alaskan Native Claims Settlement Act.
22. Any payment to volunteers under Title II (RSVP, Foster Grandparents, Senior Companion Program and others) of the Domestic Volunteer Services Act of 1973, as amended. Payments under Title I of the Act (including payments from such Title I programs as VISTA, University Year for Action and Urban Crime Prevention Program) to volunteers are excluded if the volunteer was receiving FSP benefits or public assistance at the time they joined the Title I program. Temporary interruptions in FSP participation will not affect the exclusion once an initial determination is made.
23. Income from certain sub-marginal land that is held in trust for certain Indian Tribes (P.L. 94-114, Section 6).
24. The interests of individuals Indians and trusts or restricted lands (an excluded resource), and up to \$2,000 per year derived from such interests and received by individual Indians (P.L. 93-134).
25. Income of an SSI recipient that is necessary for the fulfillment of a Plan for Achieving Self Support (PASS) which has been approved by the Social Security Administration. This income may be spent in accordance with an approved PASS or deposited into a PASS savings account.
26. All student financial assistance funded in whole or in part under Title IV or Part E of Title XVII of the Higher Education Act or under a Bureau of Indian Affairs student assistance program.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 9

211.3 Excluded Income (continued)

27. The Carl D. Perkins Vocational Education Act of 1990 which includes the following:

- (a) Model Program of Regional Training for Skilled Trades
- (b) Demonstration Projects for the Integration of Vocational and Academic Programs
- (c) Indian Vocational Education Program
- (d) Native Hawaiian Vocational Education Program
- (e) State Vocational and Applied Technology Education Program which includes the following:

- State Program and State Leadership Activities
- Program for Single Parents, Displaced Homemakers and Single Pregnant Women
- Sex Equity Program
- Programs for Criminal Offenders
- Secondary School Vocational Education Program
- Post-Secondary and Adult Vocational Education Program
- State Assistance for Vocational Education Support programs for Community-Based Organizations
- Consumer and Homemaking Education Program
- Comprehensive Career Guidance and Counseling Program
- Business-Labor-Education Partnership for Training Program
- National Tech-Prep Education Program
- State-administered Tech-Prep Education Program
- Supplemental State Grants for Facilities and Equipment and other Program Activities
- Community Education Employment Centers Program
- Vocational Education Lighthouse Schools Programs
- Tribally Controlled Post-Secondary Vocational Institutions Program
- Vocational Education Research Program
- National Network for Curriculum Coordination in Vocational and Technical Education
- National Center for Research in Vocational Education
- Materials Development in Telecommunications Program
- Demonstration Centers for the Training of Dislocated Workers Program
- Vocational Education Training and Study Grants Program
- Vocational Education Leadership Development Awards Program
- Vocational Educator Training Fellowships Program
- Internships for Gifted and Talented Vocational Education Students Program

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 10

211.3 Excluded Income (continued)

- Business and Education Standards Program
- Blue Ribbon Vocational Education Program
- Educational Programs for Federal Corrections Institutions
- Vocational Education Dropout Prevention Program
- Cooperative Demonstration Programs
- Bilingual Vocational Training Program
- Bilingual Vocational Instructor Training Program
- Bilingual Materials, Methods and Techniques Program

28. Veterans' Benefits Improvement and Health-Care Authorization Act of 1986

29. Older Americans Act (Title V) which includes the following programs:

- Green Thumb
- National Council on Aging
- National Council on Senior Citizens
- American Association of Retired Persons
- U.S. Forest Service
- National Association for Spanish Speaking Elderly
- National Urban League
- National Council on Black Aging

30. Wartime Relocation of Civilians

31. Domestic Volunteers Services Act of 1973 (Titles I and II as amended)

32. Public Law 104 –193, Part A of Title IV of the Social Security Act, funds in an Individual Development Account (IDA) under the TANF block grant for any period during which such individuals maintain or make contributions into such accounts

L. Charitable Contributions.

Cash donations or contributions based on need from one or more private organizations.

Count donations that are not from a nonprofit charitable organization as unearned income.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 11

211.3 Excluded Income (continued)

M. Earned Income Tax Credits (EITC).

Earned income tax credit payments received either as a lump sum or as advance payments of EITC received as part of the paycheck or as a reduction in taxes that would have been paid at the end of the year.

N. Repayments.

Income withheld from an assistance payment, earned income or other source that is voluntarily or involuntarily returned to the source to repay a prior overpayment received from that income source.

NOTE: This exclusion does not apply to means-tested public assistance income sources when the overpayment was intentionally (IPV) caused by the household. SSI is not considered to be a means-tested public assistance program for this policy. Count the net amount of SSI when a portion is deducted to repay an overpayment.

Count the amount recouped from TCA benefits for intentionally caused household overpayments.

O. Reverse Mortgages.

A reverse mortgage that requires repayment from the estate is a loan.

P. HUD Utility Reimbursement.

Exclude utility reimbursements or allowances paid by Housing and Urban Development directly to a household.

Q. Interest Earned on Bank Accounts.

This exclusion applies only to the interest earned on bank accounts, such as checking, money market or savings accounts. Interest on any other type of account is countable.

R. The Cost of Producing Self-employment Income

Except for farmers, fishermen and watermen, the cost-to-produce is 30 percent of the gross receipts from the self-employment enterprise.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXCLUDED INCOME	Section 211	Page 12

211.4 Verification

Because excluded income does not affect household eligibility verification is not ordinarily required. However, in cases where a household is unable to provide sufficient information to enable the worker to determine whether it is excludable, the worker may request verification. If only a portion of the income is excluded, verification of the income would be required as outlined in Section 408, Verification.

Narrate excluded income and the reasons for the exclusion thoroughly.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DEDUCTIONS	Section 212	Page 1

212.1 Purpose

This section describes the allowable Food Supplement Program (FSP) deductions.

212.2 General Information

Only certain deductions are allowed when determining net monthly income for FSP purposes. No other deductions from gross countable income are permitted. The deductions allowed differ for households with aged and/or disabled members and all other households.

212.3 Allowable Deductions for Households with Aged/Disabled Members

- A. The allowable deductions for households with aged or disabled members include the following:



1. The standard deduction (See Section 600);
2. The earned income deduction (20% of gross earned income and 30% for self-employment income- See manual section 104 for more detailed information regarding self-employment);

NOTE: The 30% self-employment deduction represents the cost-to-produce. The household also receives the 20% earned income deduction.

3. A dependent care deduction, up to the maximum amounts (See section 600);
4. An excess shelter deduction with no limit;
5. An excess medical expense deduction; and
6. A child support deduction for legally obligated child support payments paid by a FSP household member to or for a child outside the household.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DEDUCTIONS	Section 212	Page 2

212.3 Allowable Deductions for Households with Aged/Disabled Members (continued)

B. A household qualifies for these deductions if it contains a member who is:

1. Age 60 or older; or
2. Receiving federal or state supplemental benefits under Section 1616 (a) of the Social Security Act (SSA) provided that the eligibility to receive the benefits is based upon the disability or blindness criteria under title XVI of the SSA; or
3. Receiving federally or state administered supplemental benefits under Section 212 (a) of Public Law 93-66; or
4. Receiving Social Security Disability Insurance (SSDI) benefits; or
5. Receiving Supplemental Security Income (SSI) benefits (including persons receiving SSI based on presumptive eligibility); or
6. Receiving disability payments from the Veteran's Administration (VA) equal to the full (100%) disability; or
7. A veteran with a service-connected or non-service connected disability rated by the Veteran's Administration as total or paid as total by the VA; or
8. A veteran considered by the VA to be in need of regular aid and attendance or permanently housebound; or
9. A surviving spouse of a veteran and considered by the VA to be in need of regular aid and attendance or permanently housebound, or a surviving child of a veteran and considered by the VA to be permanently incapable of self-support; or
10. A surviving spouse or 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 under Section 221 (l) of the Social Security Act.

NOTE: Entitled refers to those veterans' surviving spouses and surviving children who are receiving the stated payments, or are approved to receive such payments but are not yet receiving them.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DEDUCTIONS	Section 212	Page 3

212.3 Allowable Deductions for Households with Aged/Disabled Members (continued)

11. A recipient of interim assistance benefits pending the receipt of Supplemental Security Income, a recipient of disability-related medical assistance under Title XIX of the Social Security Act, or a recipient of disability-based State general assistance benefits, provided that the eligibility to receive any of these benefits is based upon disability or blindness criteria established by the State agency which are at least as stringent as those under Title XVI of the Social Security Act.
12. Receiving disability retirement benefits from a governmental agency because of a disability considered permanent under the Social Security Act; or
13. Receiving an annuity payment under the Railroad Retirement Act of 1974 and is determined eligible to receive Medicare by the Railroad Retirement Board.

212.4 Allowable Deductions for All Other Households

The allowable deductions for all other households are the following:

- A. The standard deduction (Section 600);
- B. The earned income deduction (20% of gross earned income and 30% for self-employment income; the 30% deduction represents the cost- to-produce);
- C. The dependent care deduction, up to the maximum (See Section 600);
- D. An excess shelter deduction, up to the maximum (See Section 600); and
- E. A child support deduction for legally obligated child support payments paid by a FSP household member to or for a child outside the household.

212.5 Standard Deduction

Allow the standard deduction for each household according to the amounts listed in section 600, regardless of the household type or the source of the household's income.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DEDUCTIONS	Section 212	Page 4

212.6 Earned Income Deduction

The earned income deduction is intended to cover work-related expenses such as, but not limited to, taxes, social security, union dues, and uniforms.

212.7 Dependent Care Deduction

- A. Allow the actual cost for the care of a child or incapacitated adult when the care is necessary to enable another member of the household to work. This includes seeking, accepting or continuing employment or training or education preparatory to employment.

NOTE: A child-care deduction is allowed when necessary for a household member to accept or continue employment. Allow a dependent care deduction when a customer has a temporary leave of absence from employment for a short period of time and the person plans to return to the same job.

- B. Verification of Dependent Care Expenses

Dependent care expenses do not have to be verified unless questionable. Acceptable verification includes a bill or written statement from the provider or a collateral contact with the provider.

212.8 Excess Medical Expense Deduction

- A. Allow a deduction for the portion of allowable medical expenses that exceed \$35 per household per month when incurred by aged/disabled household members.
- B. Do not count medical expenses incurred by household members who are not aged/disabled toward this deduction.
- C. Do not count medical expenses paid by insurance or another party who is not a household member toward this deduction.
- D. Allowable medical expenses are limited to the following:
 1. Medical and dental care including psychotherapy and rehabilitation services when provided by a State-licensed practitioner;
 2. Hospitalization or outpatient treatment, nursing care and nursing home care including payments made by the household for an individual who was a household member immediately prior to entering a hospital or nursing home;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DEDUCTIONS	Section 212	Page 5

212.8 Excess Medical Expense Deduction (continued)

3. Prescription drugs when prescribed by a health professional licensed under State law to prescribe drugs, including the charge for postage and handling of mail-order prescription drugs;
4. Eyeglasses when prescribed by an ophthalmologist or optometrist;
5. Over-the-counter medication (including insulin) and other health-related supplies when approved by a licensed health professional;
6. Premiums for health and hospitalization insurance policies and long term care insurance policies (excluding the cost of income maintenance type health policies and accidental policies);
7. Medicare premiums;
8. Any cost-sharing or spend down amounts incurred by Medicaid recipients;
9. Dentures, hearing aids and prosthetics;
10. Cost of securing and maintaining a service animal;
 - (a) This includes Seeing Eye or hearing guide dogs, housekeeper monkeys and any other animal specially trained to serve persons with impairments.
 - (b) Allowable costs include, but are not limited to, the costs of obtaining and training the animal and food and veterinary care.
11. Actual costs, or when these cannot be determined, the cents per mile figure established by the State, of transportation and lodging necessary to secure medical treatment or services; and
12. The costs of employing an attendant, homemaker, home health aide, housekeeper, or child care provider due to age, infirmity or illness. Include in this cost an amount equal to the FSP allotment for one person if the household provides the majority of the attendant's meals. Treat these costs as a medical expense if the attendant care cost could qualify under both the medical and dependent care deductions.

E. Verification of Medical Expenses

1. Verify medical expenses, including the amount of reimbursement, at initial application and at recertification if the source or the amount changes by more than \$25. If a household voluntarily reports a change in medical expenses

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DEDUCTIONS	Section 212	Page 6

212.8 Excess Medical Expense Deduction (continued)

- during a certification period, it must be verified if the change would increase the household's allotment.
2. Acceptable verification of medical expenses includes, but is not limited to the following:
 - (a) Current bills or written statement from the provider that shows all amounts paid by insurance, Medicare or Medicaid;
 - (b) Insurance, Medicare or Medicaid statements that show charges incurred and the amount paid by the insurer;
 - (c) BENDEX for Medicare premium;
 - (d) Written statement from licensed health care professionals;
 - (e) Collateral contact with the provider. (May be most commonly used to determine costs of over-the-counter medication and health-related supplies and ongoing medical transportation.)
- F. Medical expenses are the exception to the policy that allowable expenses can only be deducted when they are due. The household may report and verify at recertification medical bills incurred in the prior certification period.

REMINDER: Past due bills on which there has been no current payment are not included.

212.9 Excess Shelter Deduction

- A. Allow a deduction for monthly billed shelter costs that exceed 50% of the household's income after the deductions described above have been made.
- B. The expenses do not have to be paid to allow the expense.
- C. Shelter costs are limited to the following:
 1. Rent, mortgage, a second mortgage, or other payments, including interest, leading to ownership of the shelter occupied by the household. The expense must be a continuing one.
 2. Payments that exceed the normal monthly payment are not deductible as a shelter expense.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DEDUCTIONS	Section 212	Page 7

212.9 Excess Shelter Deduction (continued)

Note: Meal charges paid by households that reside in a home for the elderly and disabled are not a shelter cost.

3. Properties taxes, State and local assessment and insurance on the structure itself, but not separate charges on the contents (e.g. furniture, clothing, and personal belongings). If the cost of insurance includes coverage on both the structure and contents, the entire cost is deducted.
4. Heat and utilities.
 - (a) This includes the costs of:
 - (i) Heating and cooking fuel;
 - (ii) Cooling and electricity;
 - (iii) Water and sewerage;
 - (iv) Garbage and trash collection fees;
 - (v) Well and Septic installation and maintenance; and
 - (vi) Fees charged by the utility provider for utility installation, excluding deposits.
 - (b) Any household that has an obligation for heating and/or cooling separate from its rent or mortgage payment **must** use the appropriate utility allowance as its total utility cost.
 - (c) Households not eligible for the utility allowance may claim actual utility expenses for those utilities for which they have an obligation (See Section 214 for further details on the utility allowances).
5. A household that incurs a separate telephone expense but is not entitled to claim a utility allowance must use the mandatory telephone allowance as listed in Section 600, even if the actual expense is higher.



DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DEDUCTIONS	Section 212	Page 8

212.9 Excess Shelter Deduction (continued)

6. Condominium and Association Fees. The household is entitled to a shelter deduction for a condominium and association fee. The household is not entitled to a separate deduction for utilities included in the fee.

If the condo fee includes payment for heat, the household is not entitled to the SUA, but if billed separately for electric, may receive the LUA. If the condo fee includes electric, but the household is billed separately for heat, it is entitled to the SUA.

7. **Shelter costs for a temporarily unoccupied home** due to employment or training away from home, illness, or abandonment caused by a natural disaster or casualty loss. The shelter costs for a temporarily unoccupied home can be included provided:

- (a) the household intends to return to the home;
- (b) the current occupants of the home, if any, are not claiming shelter costs on that home for FSP purposes; and
- (c) the home is not being leased or rented to others during the household's absence;

NOTE: Do not use the utility allowance for unoccupied homes. Use only the actual utility costs.

D. Verification of Shelter Expenses

1. Shelter expenses do not have to be verified unless they are questionable or unless the local department has chosen to verify shelter costs for all households as a local option.
2. Verify utility expenses if the household is entitled to only actual expenses instead of the utility standard.
3. Verify utility expenses for an unoccupied home. Do not use the utility standard.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DEDUCTIONS	Section 212	Page 9

212.9 Excess Shelter Deduction (continued)

4. Acceptable shelter expense verification includes, but is not limited to the following:
 - (a) Mortgage or rental contracts, or a statement from the mortgage company, bank or landlord;
 - (b) Copy of tax, insurance, assessment bills, or a collateral contact with the appropriate government or insurance agency;
 - (c) Current bills or a written statement from the provider for heat/utility expenses;
 - (d) Collateral contact with the heat/utility provider.

212.10 Homeless Shelter Allowance

- A. Households in which all members are homeless but are not receiving free shelter are entitled to the standard homeless shelter allowance of \$143. Allow actual shelter expenses, instead of the homeless shelter allowance, if the actual shelter costs would result in a higher deduction under the excess shelter calculation.
- B. The determination that a household is homeless is important when deciding if a household is eligible for the homeless shelter allowance. The \$143 allowance cannot be claimed unless the household meets the definition of homeless.
- C. A homeless individual is one who:
 1. Lacks a fixed and regular nighttime address; or
 2. Has a primary nighttime address that is:
 - (a) a supervised publicly or privately operated shelter designed to provide temporary living accommodations; or
 - (b) an institution that provides a temporary residence for individuals intended to be institutionalized; or

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DEDUCTIONS	Section 212	Page 10

212.10 Homeless Shelter Allowance (continued)

- (c) a temporary accommodation in the residence of another individual for no longer than 90 days; or
- (d) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation.

212.11 Child Support Deduction

- A. A deduction is allowed for legally obligated child support payments actually paid by a household member to or for a non-household member.
- B. To be entitled to the deduction the household member must:
 - 1. Have a legal obligation to pay; and
 - 2. Make payments.
- C. The child support deduction includes the following:
 - 1. The anticipated payments that the household member will pay over the certification period.
 - 2. Payments to a third party on behalf of the non-household member in accordance with a support order.
 - 3. Payments to obtain health insurance, if legally obligated.
 - 4. Arrearages if the payments are anticipated to continue during the certification period. Do not include arrearages during the certification period if there is no basis for expecting future payments.
- D. Do not include the following in the child support deduction:
 - 1. Alimony payments;
 - 2. Amounts paid over the obligated amount, except for allowable arrearages.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DEDUCTIONS	Section 212	Page 11

212.11 Child Support Deduction (continued)

E. Verification

1. Verification of child support payments must be requested from households that claim this deduction.
2. Acceptable forms of verification include the following:
 - (a) Court Order
 - (b) Separation Agreement
 - (c) Divorce Decree
 - (d) Information from Child Support Enforcement (IV-D)

212.12 Action While Awaiting Verification

- A. Do not allow any questionable expense as a deduction until verification is provided.
- B. Determine eligibility and FSP benefit level without providing a deduction for the unverified expense if the expense cannot be verified within 30 days of the date of application. This includes medical expenses that may be covered by a reimbursement if the amount of the reimbursement cannot be verified.
- C. When a household fails or refuses to provide verification of the legal obligation or of the actual child support payments, calculate eligibility and benefit level without the deduction.

EXCEPTION: Allow the utility standard for households entitled to use it if they wish to claim actual expenses but cannot provide verification within 30 days.
- D. Treat as a reported change any verification an eligible household provides after the 30th day.
- E. Do not restore lost FSP benefits to the household if verification is provided after the 30th day.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DETERMINING INCOME AND EXPENSES	Section 213	Page 1

213.1 Purpose

This section contains instructions for determining monthly income and expenses.

213.2 General Information

Base monthly income on a calendar month when determining eligibility and the monthly allotment amount. For initial applications, the income for the entire month of application is considered. For timely recertifications, the income anticipated for the certification period beginning in the month following the expiration month is considered. Determine the monthly income as for initial applications if the application for recertification is not made timely.

NOTE: The policy described in this section applies to most households. However, procedures may differ for certain special households. Refer to Sections 100 – 109 of this manual for procedures to be used in circumstances with special households.

213.3 Determining Income

A. Anticipating Income

1. Anticipate income received during the month of application and income reasonably expected to be received during the remainder of the certification period when determining eligibility and the monthly allotment.
2. Do not count as income to the household if uncertain about the amount of income or when it will be received.
3. The household has the responsibility to report the income when it becomes aware of the change. The income is then processed as a reported change.
4. Use the following guidelines when anticipating income:
 - (a) Use past income as an indication of the amount anticipated to be received. Do not automatically substitute actual past income for the anticipated amounts.
 - (b) Income received during the past 30 days may be used as an indication, unless a change is anticipated or income fluctuates so much over a period of time that it does not accurately indicate the amount. In those cases, a longer period of time may be used.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DETERMINING INCOME AND EXPENSES	Section 213	Page 2

213.3 Determining Income (continued)

(c) In cases where income fluctuates seasonally, use figures from the most recent season comparable to the certification period as one indicator of anticipated income. Consider possible variations in seasonal income if anticipated at the time of certification.

B. Income Only in the Month Received

1. Count anticipated income only in the month(s) it is expected to be received, unless the income is averaged (see below), or income is withheld at the request of the employee.
2. Whenever a full month's income (either earned or unearned) is received on a weekly or biweekly basis, convert the income to a monthly amount by multiplying weekly amounts by 4 and biweekly amounts by 2.

EXAMPLE: A parent applies for Food Supplement Program (FSP) benefits for herself and two children. She has gross earnings of \$150 per week. All other FSP requirements are met.

$$\begin{array}{r}
 \$150 \text{ (gross weekly earnings)} \\
 \times 4 \text{ (conversion factor)} \\
 \hline
 \$600 \text{ (gross monthly earnings)}
 \end{array}$$

3. Whenever income is received less often than monthly or a full month's earned income is anticipated and received on a monthly basis, the amount is counted without using a conversion factor.

EXAMPLE: A FSP applicant has \$600 in gross monthly earnings. He is paid monthly. All other FSP requirements are met. \$600 is the amount of income used to determine the eligibility and allotment.

4. Allow a 20% earned income deduction for households with earnings. Allow a 30% earned income deduction for self-employment income (the 30% deduction represents the cost-to-produce). The 20% earned income deduction is then applied to the net income amount.
5. Do not count nonrecurring lump sum payments as income. Consider them as a resource in the month received.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DETERMINING INCOME AND EXPENSES	Section 213	Page 3

213.3 Determining Income (continued)

NOTE: In cases where income is withheld at the employee's request, consider the income in the month it would otherwise have been paid to the employee. However, current or past wages held as a general practice of the employer (even if in violation of the law) are not counted as income unless the household anticipates it will ask for and receive an advance. Count advances on wages as income in the month received, provided it can be reasonably anticipated and the advanced wages were not actually counted as income.

C. Income Averaging

1. Averaging income means to average between the months of the certification period. This method is generally used when income varies greatly between months during the certification period.
2. A household may elect to have its income averaged.
3. In order to average, the local department and the household must predict the amount of the household's income over the certification period.
4. The number of months used to arrive at the average income need not be the same number of months in the certification period. If a household is reasonably certain the fluctuation shown by the month of application and the prior one or two months represents the expected fluctuations in income for the certification period, average those month's income and project it over the certification period.

EXAMPLE: A household applies for FSP benefits in April. Its monthly income is \$500 for April, \$540 for February, and \$400 for March.

$$\$500 + \$540 + \$400 = \$1,440$$

$$\$1,440 \text{ divided by } 3 = \$480 \text{ (average gross monthly income)}$$

- D. The following households have no option as to how their income is treated. Their income must be averaged:

Households that, by contract, (either written or implied) receive their annual income in a period of time shorter than a year. This income must be averaged over a twelve-month period, provided it is not received on an hourly or piecework basis. Count income received hourly or on a piecework basis as any other source of income.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DETERMINING INCOME AND EXPENSES	Section 213	Page 4

213.3 Determining Income (continued)

NOTE: The above policy does not apply to migrant or seasonal farm workers.

1. Self employed households with stable annual income
2. Salaried school employees regardless of whether they are paid for 10 or 12 months of the year. This income must be annualized. Calculate the income for school employees who are paid an hourly wage according to the frequency paid.

213.4 Determining Deductions

- A. Deductible expenses include only certain costs of dependent care, medical needs, child support payments and shelter as described in Section 212 of this manual.
- B. Expenses are deductible only if the service is rendered by someone outside the household and the household makes a monetary payment for the service. For example, a dependent care deduction is not allowed if a household member provides the care, or compensation for the care is provided in the form of an in-kind benefit, such as food.
- C. **An expense covered by an excluded vendor payment or reimbursement is not deductible.**

EXAMPLE 1:

The portion of medical expenses covered by insurance, or the portion of a shelter cost paid by an individual outside the household.

A household's rent is \$600. Someone outside the FSP household pays \$300 directly to the landlord. Count only \$300 as an allowable shelter cost.

NOTE: This applies only to excluded vendor payments. If a vendor payment for shelter costs, medical expenses, or dependent care is not excluded, and therefore counted as income, the expense is deductible.

- A. Deductions, unless averaged (see below), are allowed only in the month the expense is billed or otherwise becomes due, regardless of when the household intends to pay the expense. For example, rent or child care payments that are due each month must be included in the household's deductions, even though they may not yet be paid.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DETERMINING INCOME AND EXPENSES	Section 213	Page 5

213.4 Determining Deductions (continued)

213.41 Billed Expenses

EXCEPTION: Medical expenses that may be covered by insurance, Medicare, Medicaid, etc. are not considered billed to the household until a statement is received showing the amount of payment made by the insurer, or other proof of insurance payment is provided. Therefore, if a medical service covered by insurance is performed and the household is provided a bill that day, the expense is not allowed until the household receives a statement from the provider or insurer showing the amount owed by the household after the insurance payment is made. (Allow the expense if the insurance payment can be verified through a collateral contact.)

- B. Amounts carried forward from a past billing period are not deductible, even if included with the most recent billing and actually paid by the household.

Example: Late charges for not paying property taxes on time are not allowable deductions.

- C. Past due amounts included with the most recent bill are not deductible, even though actually paid by the household. Exception: In order for such expenses to be allowed, the household must have a repayment agreement that was arranged before the initial bill became past due.
- D. Medical expenses are the exception to the policy that allowable expenses can only be deducted when they are due. The household may report and verify at recertification medical bills incurred in the prior certification period that have been paid or have a repayment agreement implemented.

213.42 Averaging Expenses

- A. A household may elect to have fluctuating expenses averaged.
- B. Expenses that are billed less often than monthly may be averaged forward over the interval between scheduled billings.
- C. The expense may either be averaged over the certification period or deducted in full in the month billed, at the household's option.
- D. The household may elect to have one-time-only expenses averaged over the entire certification period in which they are billed.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DETERMINING INCOME AND EXPENSES	Section 213	Page 6

213.42 Averaging Expenses (continued)

EXCEPTION: Households wishing to average one-time-only medical expenses reported during the certification period must have the expenses averaged over the remaining months of the certification period. Averaging begins the month the change is effective. This includes medical bills reported in the last month of the certification period, i.e. average bills over the certification period as long as there is no break in certification. For example, if a household certified in April for six months reports a new, one-time-only medical bill early in July and wants to average this expense, it would be averaged over August and September.

E. One-time medical expenses incurred **during the first 12 months** of a **24 month certification** may be:

1. Deducted for one month,
2. Averaged over the remaining months of the first 12 months,
3. Averaged over the remaining months of the certification.

F. One-time medical expenses incurred **after the first 12 months** of a 24 month certification may be:

1. Deducted for one month or
2. Averaged over the remaining months of the certification period.

Reminder: If the household chooses to have the one-time expense averaged over the remaining months of the first 12 months of a 24 month certification period the case manager must remove the deduction for the 2nd 12 months of the certification period.

213.43 Anticipating Expenses

- A. Base household expenses on expenses the household expects to be billed for during the certification period.
- B. Base anticipation of the expense on the most recent month's bills, unless the household is reasonably certain a change will occur.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DETERMINING INCOME AND EXPENSES	Section 213	Page 7

213.43 Anticipating Expenses (continued)

C. When the household has only one utility that does not include heat or air conditioning or phone, it is not entitled to a utility standard or phone allowance. The household must provide a current bill, statement by the provider or collateral contact on which to base the anticipation of utility expenses. Once this has been provided, the local department must ask the household whether it expects this amount to change during the certification period. If the household expects changes, use one of the following methods to anticipate changes during the certification period:

1. Use last year's bills from the same period and update by overall price increases.
2. Use utility company estimates for the type of dwelling and utilities used if only the most recent bill is available.
3. Another reasonable method, agreed upon by the local department and the household.

NOTE: Do not average past expenses, such as bills for the last several months, as a method of anticipating utility costs for the certification period when seasonal changes in the rate of utility usage will occur.

Document in the case narration the basis for the anticipated utility expenses (i.e. household estimate, last year's bills with rate increase update, utility company estimate, etc.).

213.44 Conversion of Deductions

The income conversion procedures described in 213.3 B of this section also apply to expenses billed or costs incurred on a weekly or biweekly basis.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DETERMINING INCOME AND EXPENSES	Section 213	Page 8

213.5 Calculating the Child Support Deduction

- A. The child support deduction is deducted from countable income. The deduction cannot exceed the countable income of the individual paying the child support.
- B. Calculate the child support deduction as shown in the following examples:

Example 1:

John Smith receives FS for himself, his wife, Mary and their two children. John also pays court ordered child support of \$50 per week to his former wife for two children. John provides verification that he pays child support and is allowed a deduction of \$200 per month for the child support he pays for children who do not live with him.

$$\begin{array}{r} \$50 \text{ per week} \\ \times 4 \text{ weeks per month} \\ \hline \$200 \text{ per month} \end{array}$$

Example 2:

John's hours at work begin to fluctuate and as a result he changes how much child support he pays. He is still court ordered to pay \$50 per week but he does not always pay it. For 4 weeks in May he paid \$25, \$30, \$15 and \$45. For 4 weeks in June he paid \$30, \$35, \$40, and \$40.

The case manager averages the child support by adding the eight weeks together (\$260) and dividing by 8 (\$32.50 per week).

$$\begin{array}{r} \$32.50 \text{ per week} \\ \times 4 \text{ weeks per month} \\ \hline \$130 \text{ per month child support deduction} \end{array}$$

Count \$130 per month as a child support deduction for the months of the certification period or until John reports and verifies he is paying a different amount.

NOTE: Remember this is a deduction. Do not round down to the nearest dollar until after the monthly deduction is calculated. (In the above example if the monthly deduction had been calculated as \$130.35 the deduction would be rounded to \$130.)

Example 3:

Mary Smith also has a court order to pay child support for 1 child who lives with the child's grandmother. Mary is ordered to pay support of \$100 per month. Mary provides verification she is court ordered to pay support but she lost her job and has no money to pay the support. Mary is not entitled to a child support deduction.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
DETERMINING INCOME AND EXPENSES	Section 213	Page 9

213.6 Rounding

- A. When doing a manual calculation, compute net monthly income by rounding down to whole dollar amounts by dropping all cents.
- B. Round down before and after each calculation, except for the computation of shelter costs and medical costs. For example, drop any cents in gross weekly earnings before addition of fluctuating pays and application of the weekly conversion factor. Retain cents for any hourly or daily amounts until after the weekly amount is determined.

Fluctuating weekly earnings:

\$42.85
 \$53.61
 \$52.79
 \$41.27
\$49.36
 \$237.00 Divided by 5= \$47.40 X 4 = \$188.00 monthly

- C. Compute shelter and medical costs using exact dollar and cents amounts.

\$60.00 Rent	\$50.75 Prescriptions
\$ 9.08 Phone	\$60.00 Doctor's visit
<u>\$20.50</u> Utilities	<u>\$15.60</u> Transportation
\$89.58 Total shelter costs	\$126.35 Total medical costs

- D. Drop the cents from the total shelter and medical costs before determining the shelter and/or medical deduction.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
UTILITY ALLOWANCES	Section 214	Page 1

214.1 Eligibility for Utility Allowances

A. Households may be eligible for only one of two utility allowances:

1. Standard Utility Allowance (SUA) –

(a) Except for recipients of the Maryland Energy Assistance Program (MEAP), only households that are **billed for heating or cooling** separately from their rent or mortgage are eligible for the SUA. Cooling by central or room air conditioners confers eligibility for the SUA. The use of fans does not qualify the household for the SUA. The following households are eligible for the SUA:

- (i) Renters who are billed on a monthly basis by their landlords for actual usage through individual metering,
- (ii) Households living in private housing who are charged a flat rate,
- (iii) Households, including those living in public housing that are billed for excess usage of heating or cooling costs,
- (iv) Multiple households sharing utility expenses for heating and cooling, or
- (v) Households that can verify they pay the utility bills that are in someone else's name.

(b) Recipients of MEAP are eligible for the SUA regardless of whether the heat and/or cooling cost are separate from the rent.

- (i) If a household reports receipt of a MEAP benefit in the past heating season, and it expects to receive it again in the next heating season, the household is eligible for the SUA.
- (ii) Since Maryland's SUA is an annual one, the household's receipt or expectation of receiving MEAP entitles it to the SUA for the entire year.
- (iii) If the landlord reduces the rent to reflect receipt of the MEAP payment, allow the reduced amount for the rental cost. This is because the reduced amount for rent is now the billed rent.

EXAMPLE 1: The Baltimore Gas and Electric Company bills the Smiths for gas each month. The gas is used to heat the Smith's home. They pay the bill directly to the utility company. The household is entitled to the SUA.

EXAMPLE 2: The Baltimore Gas and Electric Company bills the Smiths directly for electric use only. The electric is used to operate the central air conditioner in warm weather. The Smiths are eligible for the SUA.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
UTILITY ALLOWANCES	Section 214	Page 2

214.1 Eligibility for Utility Allowances (continued)

Example 3: Mary Johnson pays \$100 per month for her rent and an additional \$50 per month (**flat amount**) for the utilities **including heat** and air conditioning for her apartment. She pays the money to her landlord. Mary is **entitled to the SUA.**

Example 4: Marsha Jones and Sue Smith live together and share the expenses. Ms. Jones pays the gas bill and Ms. Smith pays the other utilities, which include heat and air conditioning. **Both have applied for Food Supplement Program (FSP) benefits separately and are entitled to the full SUA. (It is their choice how they share or divide the utility costs.)**

Example 5: Mr. Johns and Mr. Jeffers live in the same apartment complex as Ms. Smith and Ms.,. Jones but they divide all the expenses in ½. **Both are entitled to the full SUA.**

Example 6: Ms. A applied for FSP benefits on February 28. Her rent includes heat. She reported receipt of a MEAP payment in January for this heating season. She is entitled to the SUA for the entire year.

Example 7: Ms. B applied for FSP benefits on January 5. Her heat is included in the rent. She reported that last year she had received MEAP to help with heat in her house and she plans to apply again this year. The case manager anticipates that she will receive MEAP for the new heating season and allows the SUA.

2. Limited Utility Allowance (LUA)

Households that incur an **expense for more than one utility that does not include heating or cooling costs** are eligible for the LUA.

(a) These utilities include but are not limited to:

- (i) Electric
- (ii) Water
- (iii) Gas (natural or propane)
- (iv) Telephone



(b) House holds eligible for the Limited Utility Allowance (LUA) include households that:

- (i) Share the utility expense for more than one utility that does not include heating or cooling. **Each** household is entitled to the full LUA

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
UTILITY ALLOWANCES	Section 214	Page 3

214.1 Eligibility for Utility Allowances (continued)

- (ii) Are billed for excess usage of utilities that do not include heating, cooling or telephone costs, including those households in public housing.
- (iii) Can verify they pay utility bills that are in someone else's name.
- (iv) Pay a flat rate for any two or more utilities not including heat or cooling.

Example 4: The Potomac Electric Power Company bills the Robinsons for electricity each month. The electricity is used for the lights only; Verizon bills the household for their telephone each month. The Robinsons pay the bills directly to the utility companies. The household is entitled to the LUA.

Example 5: John Smith **pays** his landlord **\$50 per month rent and \$25 per month (flat rate)** for the **electric and water**. The heat is included in his rent. Mr. Smith is **eligible for the LUA**. (He pays two utilities.)

- B. Households are eligible for the utility allowance throughout all months of the year.
- C. Utility costs included in the standard are listed in Section 212.9 (Excess Shelter Deduction) of this manual with the exception that billing for heat and air conditioning are not included in the Limited Utility Allowance (LUA).
- D. The receipt of indirect (vendor) energy assistance payments from non- federal funds will not affect eligibility for the SUA if the household incurs out-of-pocket expenses over and above its prorated indirect energy assistance in any month. Compute the prorated amount by dividing the indirect energy assistance received by five (the number of months in the heating season in Maryland, November 1 through March 31).
- E. If the energy assistance is authorized by federal law and administered by the Maryland Energy Assistance Program (MEAP), there is no requirement to prorate the MEAP assistance and determine out-of-pocket costs. The full amount of the MEAP payment is deemed to be out-of-pocket for the determination of eligibility for the SUA.
- F. The exception to Section 214.1(A-E) as stated above is that the use of supplemental heating equipment such as gas, electric, kerosene or wood heaters or stoves **does not** qualify the household for the Standard Utility Allowance (SUA) if the cost of the principal heating source (e.g. an oil furnace) is included in the rent or mortgage.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
UTILITY ALLOWANCES	Section 214	Page 4

214.2 Shared Utility Costs

- A. Households that live with and share heating or cooling costs with other individuals or households are entitled to the full SUA or LUA. **Do not prorate** the utility allowance between individuals in a household who contribute to meeting a utility cost.

EXAMPLE: A two-person FSP benefit household shares a residence with another individual. Each of the two FSP benefit household members contributes separately toward meeting the utility costs. The individual they live with also contributes toward meeting the utility costs. The FSP household is entitled to the full utility allowance.

- B. The shared expense situation differs from the normal tenant/landlord relationship where the landlord usually provides the heat from a central furnace and the cost of the heat is recouped as part of the rent.
- C. The SUA and LUA are not prorated when the utility expenses are shared between ineligible and eligible household members. The FSP household is entitled to the entire utility allowance.
- D. The household may pay its portion of the utility expense directly to the utility company, to the landlord, or to the household with which it resides.
- E. When two or more households live in separate housing units (such as apartments, trailers, houses, etc.) and share one utility meter, each household gets the appropriate allowance.

214.3 Telephone Allowance

- A. The telephone allowance is a flat rate (see section 600.3) for those households that incur a telephone cost. This includes a cell phone.
- B. Give the household the full allowance regardless of the amount paid on the bill or if the bill is shared among several households.
- C. **Do not give** the telephone allowance **if the household is eligible for a utility allowance.** If a household has a telephone expense and any other utility expense, the household is eligible for the LUA and not the telephone allowance.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
UTILITY ALLOWANCES	Section 214	Page 5

214.4 Actual Utility Costs

- A. Households that are billed for **only one utility expense that does not include heating or cooling and who do not have an expense for a telephone** are entitled to use the actual cost of the one utility. (Households having a telephone expense would be eligible for the LUA if they have a second utility or the flat telephone allowance amount.)

Note: The rules were changed effective October 1, 2003 so that households could no longer claim actual utility expenses in excess of the SUA or LUA.

- B. Verify actual utility costs.
- C. Households must provide a current utility bill on which to base the anticipation of actual utility expenses over the certification period. If a household anticipates changes in utility expenses during the certification period, request the previous year's utility bills from the same period. (See Section 213.4, "Determining Deductions" for more detailed information on the treatment of actual utility expenses.)
- D. If the household anticipates changes in the utility expense, average the utility bills from the previous period over the certification period. Allow the actual utility cost as a deduction if the household only pays one utility expense.

Example 6: Jane Johnson pays **\$150 per month rent** and **\$25 per month (flat rate)** for **electric**. She does not have a phone and all other expenses are included in her rent. Ms. Johnson is not eligible for either utility allowance because she does not pay for heat or air conditioning and does not pay for two utilities. Ms. Johnson would be eligible for an **actual utility expense of \$25 per month**.

214.5 Examples of Utility Allowance Policy

Situation: The FSP benefit household is a tenant whose apartment has a separate meter for electricity. The household has a phone. The heat is provided centrally for which the landlord is billed.

Eligibility: The household is eligible for the LUA since neither heat nor air conditioning is included in the billing to the household and the household has a phone. **(Remember the requirement to have 2 utilities.)**

Situation: The FSP benefit household's landlord charges the household \$200 rent, plus \$30 each month for utilities that include heat.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
UTILITY ALLOWANCES	Section 214	Page 6

214.5 Examples of Utility Allowance Policy

Eligibility: The household is eligible for the SUA. Since the landlord bills the household for **utilities, which includes heat, the household is eligible for the SUA.**

Situation: The household is a tenant and is billed directly by the electric company. The landlord who is billed by a fuel oil company provides heat centrally. The tenant has a window air conditioner that it uses extensively in the summer months.

Eligibility: The household is **eligible for the full SUA** because it is billed directly by the electric company and the cost of cooling is included in the electric.

Situation: The FSP benefit household is a tenant in a residence with two other families. The households are billed for utilities that include heat. The FSP household pays its portion of the utility expense to the household that is billed.

Eligibility: The FSP benefit household is eligible for a full SUA.

Situation: Mr. and Mrs. A. live together with their 3 children. Mr. A. is an ineligible immigrant. Mrs. A. and their children receive FSP. Mr. and Mrs. A. are both employed and share the shelter expenses. The utilities include heat.

Eligibility: The FSP household is entitled to the full SUA even though Mr. A. is not part of the FSP household and pays part of the expenses. Even if Mr. A. paid all utilities, the household would get the SUA.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
FILING AN APPLICATION	Section 400	Page 1

400.1 Purpose

This section provides the policies regarding obtaining and filing an application.

400.2 General Policy

- A. The application process begins with a request for an application form, and ends with notification of the household's eligibility or ineligibility.
- B. Normally, households must be given an opportunity to participate, if eligible, no later than 30 days from the date an application is filed.
- C. Households determined eligible must be provided Food Supplement Program (FSP) benefits retroactive to the day of application. An application must be filed in order to establish and protect the right to retroactive FSP benefits. This is one of the reasons it is important to encourage households to file an application the same day they contact the FSP office.
- D. An interview is not required before a household files the application.
- E. Households may file an incomplete application as long as it contains the applicant's name and address, and is signed by a responsible adult member of the household or an authorized representative.

400.3 Filing an Application

- A. The application forms are as follows:
 - 1. The CARES generated Eligibility Determination Document (EDD);
 - 2. The DHR/FIA 9701(Eligibility Determination Document);
 - 3. The SAIL electronic application;
 - 4. The DHR/FIA 9702 (Eligibility Determination Document for a One-Person Household); or
 - 5. Forms designed by the local department upon approval by the Family Investment Administration.
- B. Households may file FSP applications by submitting the appropriate form to the FSP office in person, through an authorized representative, by mail or electronically by fax or other electronic device.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
FILING AN APPLICATION	Section 400	Page 2

400.3 Filing an Application (continued)

- C. Households have the right to file an application form on the same day they contact the FSP office.
- D. Local departments will encourage households to file an application form the same day the household or its representative contacts the FSP office in person or by telephone.
- E. An application is not considered filed and processing standards do not begin until the certification office designated to serve the area in which the household is living receives the application. An application submitted to the wrong office is not considered to be filed and processing standards do not begin until the application is received in the correct office.
- F. Application forms must be readily accessible to potentially eligible households and to groups or organizations involved in outreach efforts.
- G. The local department will give an application to anyone requesting one immediately.

400.4 Initial Contact with Potentially Eligible Households

- A. Advise the household of its filing rights (see Section 400.3). Give the household other information as needed or requested.
- B. Determine the household's address or residence to ensure that the household has contacted the appropriate office (the certification office designated to serve the area in which the household is living).

400.41 In-Person Contact

- A. Encourage the household to file an application on the date of initial contact.
- B. Make sure that the application form is "completed and signed" (contains at least the applicant's name, address and contains the signature of an adult household member or authorized representative).

400.42 Telephone Contact

- A. Advise the household of its filing rights. Give other information as needed or requested.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
FILING AN APPLICATION	Section 400	Page 3

400.42 Telephone Contact (continued)

- B. Determine the household's address or location to ensure that the household has contacted the appropriate office (the certification office designed to serve the area in which the household is living).
- C. Encourage the household to come to the office to file an application the same day.
- D. Mail an application to households who request one.

400.43 Mail Contact

- A. If the household's request is for FSP assistance, mail the application form (and other available appropriate information such as pamphlets, informational literature, etc.) to the household on the same day.
- B. Ensure that the household has contacted the appropriate office (the certification office designated to serve the area in which the household is living).
- C. Ensure that applications returned to the local department are "completed and signed."

400.44 Filing an Electronic Application

- A. In addition to filing an application by submitting the forms in person, through an authorized representative or the mail, the household can file a FSP application by faxing or other electronic device a signed application to the local department.
 1. For a SAIL application the date of filing is the date the local department receives the signature page.

Note: It is important to match the signature page with the downloaded application as quickly as possible. When the local department receives the signature page, it must date stamp the page, screen the SAIL application on CARES, and schedule an appointment for the interview.

2. Local departments must hold the downloaded SAIL application for 60 days while waiting for the customer to mail, fax or hand deliver the signature page. The local department can destroy the SAIL application after 60 days if the signature page is not received,

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
FILING AN APPLICATION	Section 400	Page 4

400.44 Filing an Electronic Application (continued)

- B. The local department must document the date the application was filed by stamping or noting on the application the date of receipt in the local office.
- C. Determine the household's address or location to ensure that the household has contacted the appropriate office (the certification office designed to serve the area in which the household is living).
- D. Contact the household (by phone or mail) regarding additional information (if required) and other available appropriate information such as pamphlets, informational literature, etc.) to the household on the same day.
- E. Contact the household by phone or mail to schedule an in-office interview or conduct a telephone interview if required.
- F. Ensure that expedited processing standards are met for any household potentially eligible for expedited processing.

400.5 Applicant Contacts the Wrong Office

- A. If the household has contacted the wrong district or county office, (the household is not living in that district or county), the local department will inform the household of the appropriate office location.
- B. The local department will provide the household with an application form unless the household is living in another state.
- C. The local department will provide any additional information as needed or requested. For example:
 - 1. Advise the household of its filing rights.
 - 2. Give other information as needed or requested.
 - 3. Encourage the household to contact the appropriate office – give the household the address and telephone number of that office.
 - 4. Offer to forward the “completed and signed” application form to the appropriate office the same day it is submitted, but advise the household that the application is not considered filed and processing standards do not begin until the application is received by the appropriate office. The application can be forwarded the next day by any means that ensures the application arrives at the correct office the day it is forwarded (i.e. fax).

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
FILING AN APPLICATION	Section 400	Page 5

400.5 Applicant Contacts the Wrong Office (continued)

5. Mail the application to the appropriate office on the same day if the household has mailed its application to the wrong office within a project area. The application can be forwarded by any means that ensures the application arrives at the correct office the day it is forwarded (i.e. fax).

NOTE: The date used for statistical purposes is the date the application is received at the correct office.

400.6 Providing a Copy of the Application to the Household

The local department must provide the household with:

- A. The opportunity to review the Eligibility Determination Document (EDD) when the household applies for FSP benefits at the local department and has a face to face interview;
- B. A copy of the EDD for their personal records.

400.7 Withdrawing an Application

The withdrawal of a FSP application must be a voluntary action by the customer.

- A. Customers have the right to have their applications reviewed and eligibility determined based on all factors of eligibility.
- B. Case managers **must not** make an informal decision on the FSP application by suggesting customers withdraw their applications even if the customer appears to be ineligible because it:
 1. Is an eligibility decision made outside the scope of monitoring and record keeping, and
 2. Impinges on the customer's rights to have their eligibility reviewed.
- C. Case managers must:
 1. Encourage customers to file an application for FSP even if they are discouraged from filing a cash assistance application.
 2. Encourage customers to file an application at first contact with the local department.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
FILING AN APPLICATION	Section 400	Page 6

400.7 Withdrawing an Application (continued)

3. Remember the decision to withdraw an application must be the customer's decision for the customer's own reasons.
4. Document in the case record narration why the customer withdrew the application and that contact was made with the household to confirm the withdrawal.
5. Advise customers of the right to reapply at any time after a withdrawal.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXPEDITED SERVICE	Section 401	Page 1

401.1 Purpose

This section describes:

- A. The policy and procedure to apply when screening a household for expedited Food Supplement Program (FSP) benefits, and
- B. The expedited processing standard.

401.2 Expedited Service Criteria

If otherwise eligible, the following households must receive expedited service within 7 calendar days:

- A. Households with less than \$150 gross monthly income and who have \$100 or less in liquid resources.
- B. Households whose combined gross income and liquid resources are less than the household's monthly rent or mortgage and utilities, including entitlement to the SUA or LUA, as appropriate.
- C. Migrant or seasonal farmworker households who are destitute (see Section 122, Migrants), and have liquid resources that do not exceed \$100.

401.3 Identifying Households Requiring Service

- A. Every local office must set up a procedure for all FSP applicants to identify those households eligible for expedited service. This includes the FSP only and combined FSP and Temporary Cash Assistance (TCA)/Temporary Disability Assistance Program (TDAP) applications filed in person, by mail or fax, or electronically.
- B. The procedure must also establish a method to identify entitlement to expedited service on the same day that a household seek assistance.

401.4 Screening for Expedited Service

- A. Households that meet expedited service eligibility criteria as defined in Section 401.2 must be given expedited FSP benefits. Screening is the process of determining which households are potentially eligible for expedited services.
- B. The local department is required to:
 1. Assist the household with completing the application if assistance is requested;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXPEDITED SERVICE	Section 401	Page 2

401.4 Screening for Expedited Service (continued)

2. Assist the household in obtaining the correct information regarding income and expenses within the expedited timeframe (7 days from the date the application is filed); and
 3. Accept the household's best estimate and document clearly the household's estimates if the information regarding income and expenses cannot be obtained within the expedited timeframe.
- C. When screening is completed, document clearly the following information:
1. The household's circumstances;
 2. The eligibility decision (expedited service or normal processing); and
 3. The reason for the decision.
- D. Verification.
1. All households found eligible for expedited service **must provide verification of identity**. This does not have to be a photo ID. If necessary, the local department may make a collateral contact to verify identity. Example: For a customer who states that he stayed the previous night in a particular homeless shelter or hospital but does not have any proof of identity, the case manager must make every effort to contact the shelter or hospital in an attempt to verify his identity.
 2. The case manager will use the applicant's statement as to the amount of income, assets and deductions in determining the benefit amount if verification is not available.

401.5 Expedited Service Standard

- A. The local department must give eligible households the "opportunity to participate" on or before the 7th day for expedited cases. "Opportunity to participate" means the household has access to benefits (households must have their EBT card and have been trained in its use).

According to federal guidance, the household is considered to have the opportunity to participate 24 hours after the case manager notifies the customer by phone, or in person, or 3 days after the customer is notified by mail. It is important to narrate when a case manager notifies a customer of his or her eligibility at the interview or by phone.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXPEDITED SERVICE	Section 401	Page 3

401.5 Expedited Service Standard (continued)

B. If there are intervening weekends or holidays, the procedure is as follows:

1. When the seventh calendar day is Saturday or Sunday, finalize the case the previous Thursday to ensure that benefits are available on Friday.
2. When the seventh calendar day is a holiday that falls on Monday finalize the case on the previous Thursday to ensure that benefits are available on Friday.
3. When the seventh calendar day is a holiday that falls on Friday finalize the case on the previous Wednesday to ensure that benefits are available on Thursday.

C. Households that apply for FSP benefits after the 15th of the month and are eligible for expedited benefits are entitled to FSP for the initial month and the second month without additional verification requirements. FSP benefits for the 3rd month may not be issued until all postponed verification is received.

Reminder: If the customer is applying for FSP benefits and has an ongoing associated case the case manager may have to enter program specific verification codes to prevent the closure of the ongoing case when FSP benefit verification is pending.

401.6 Interviews

- A. An interview is required before expedited FSP benefits can be issued.
- B. As part of the interview, the interviewer must explore and resolve with the household any unclear or questionable information. The interviewer must conduct the interview as an official and confidential discussion of household circumstances and protect the applicant's privacy.
- C. Unless waived, households must have a face-to-face interview with a case manager at initial certification and at least every 12 months after that. If waived, the case manager must conduct a telephone interview.

Note: The case manager must complete Option O (Interview) during or shortly after the interview to prevent CARES from sending an inappropriate notice of missed interview.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXPEDITED SERVICE	Section 401	Page 4

401.6 Interviews (continued)

- D. If a household is entitled to expedited service and is also entitled to a waiver of the office interview the LDSS must conduct a telephone interview and complete the application process within the expedited time frame.
- E. The calendar day after the filing date is the first day of the count. The application, for filing date purposes only, may be page one of the signed DHR/FIA CARES 9701 or the 9711 (Assistance Request Form) or the date local department receives the SAIL application and e-signature or signature page.

401.7 Telephone Interview

- A. **Do not count** the mailing days toward the seven-day count if a telephone interview is conducted and the application is mailed to the household for signature. The application must be **mailed the same day** the telephone interview is conducted.
- B. For **expedited processing** only, mailing days means any days the application is in the mail to and from the household. Mailing days **include** any **days the application is in the household's possession** before being returned to the local department.

401.8 Special Procedures for Expediting

- A. Use the following procedures to provide expedited service to potentially eligible households:
 1. Verify the applicant's identity through collateral contact or readily available documentary evidence if the household is unable to provide verification.
 2. Make reasonable efforts to verify (within the 7-day expedited service timeframe) the household's residency and income. **Do not delay** expedited service to households who are otherwise eligible if they **cannot verify residency or income** within the **expedited service timeframe**.

NOTE: The local department may also verify residency and income provided that the verification process is within the expedited service timeframe.

3. Complete the work registration for the applicant (unless the individual is exempt or the household has designated an authorized representative to apply on its behalf).

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXPEDITED SERVICE	Section 401	Page 5

401.8 Special Procedures for Expediting (continued)

NOTE: Attempt to register for work all other non-exempt household members. The local department may attempt to verify questionable work registration exemption claims by the household. However, postpone such verification if the expedited service timeframe cannot be met.

4. The household is responsible for providing the necessary verifications for expedited service. However, the local department must assist the household in obtaining the necessary verification if requested.
5. Assign a normal certification period to households that are certified on an expedited basis and have provided all normal verifications as described in Section 408 (Verification) of this manual.

NOTE: The local department may assign a **one-month certification** period to households that are certified on an expedited basis and **do not provide all normal verification. Require a new application** in instances where a one-month certification period is assigned. In addition, the local department will **provide a notice of eligibility and a notice of expiration** to the household at the same time.

6. There is no limit to the number of times a household can be certified under expedited procedures, as long as prior to each expedited certification, the household:
 - (a) Has completed the verification requirements that were postponed at the last expedited certification; or
 - (b) Was certified under normal processing standards since the last expedited certification.
 7. Process the application of a household requesting, but not eligible for expedited service, according to normal processing standards (see Section 406, Normal Processing Standards).
- B. A signed application, filed electronically, is to be screened for expedited eligibility. If the required verification as described in Section 408.A is provided FSP benefits are to be issued within the seven day processing standard.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXPEDITED SERVICE	Section 401	Page 6

401.9 Expedited Food Supplement Program Benefits – Questions and Answers

Question 1. What verification does the applicant have to provide before I can issue expedited benefits?

Answer 1. The case manager must obtain verification of the identity of the person applying **through any readily available documentation or through collateral contact prior to issuing expedited FSP benefits.** There is no requirement that the verification be a picture ID.

Question 2. We have to issue expedited benefits the day after application or no later than 7 days after application. What if there is not enough time to interview the applicant on the day of application or during the 7-day period after the application filing date?

Answer 2. The household must have a face-to-face interview in order to receive expedited benefits. A face-to-face interview may be waived in favor of a telephone interview. It must be waived for hardship reasons. Some hardship reasons include no transportation, work or training hours, or illness.

Question 3. In the interview the applicant stated he had signed a waiver of a FSP administrative disqualification hearing two months ago. It was the first violation. He is the only person in the household. He meets expedited service criteria. Should I issue him expedited FSP benefits?

Answer 3. No. He is not eligible for FSP benefits for 12 months because of his IPV disqualification period. Note: The disqualification should be on CARES and in the nationwide electronic Disqualification Recipient System (e-DRS).

Question 4. We have issued expedited benefits based on the household's statement of income, expenses and resources. The only verification we have is of identity. How long does a household that received expedited service have to provide other required verification?

Answer 4. For households that apply for FSP benefits before the 15th of the month the household has until the end of the application month to provide verification. You cannot issue the second month's benefits without mandatory verification.

Customers applying for FSP benefits after the 15th of the month and who are eligible for expedited FSP benefits have until the end of the ongoing month to provide required verification. When verification is postponed, the 3rd month's issuance cannot be made until the local department receives the postponed verification.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXPEDITED SERVICE	Section 401	Page 7

401.9 Expedited Food Supplement Program Benefits – Questions and Answers (continued)

Example: Ms. S lost her job in November and applies for FSP benefits on December 18. She meets the expedited service criteria and is eligible for expedited FSP benefits. She verified her identity with her driver's license, but did not have verification of income. The local department must issue Ms. S's December (prorated) FSP benefits so that she can get them the next day or no later than 7 days after she filed her application. She will also receive January benefits issued during the regular EBT benefit issuance, even though she has not provided outstanding verification.

Question 5. What do I do if the household drops off an application and does not stay for an interview?

Answer 5. The local department must make every effort to screen all drop-off applications for expedited service before the applicant leaves. At that time the person assigned to this job should ask for any documentation that would verify identity. The customer must be given a scheduled appointment for an interview. It is also helpful to get a phone number where the applicant can be reached.

Reminder: To schedule an interview through CARES go to the MISC screen. Enter the EW ID, enter "INT" in the Appt. Type field, and enter the date and time of the interview. CARES will generate a notice to the household.

Question 6. What happens if we don't have verification of identity, but it appears that the household is potentially entitled to expedited service?

Answer 6. Generally, this should happen only if the customer has mailed, faxed, sent the application as an e-mail attachment or submitted a SAIL application. If the household's identity cannot be verified within the expedited time frame, the household cannot receive expedited service. The local department must continue to assist the household to obtain the necessary verification so that the household's application can be processed as soon as possible but within 30 days. If the application includes a telephone number, the case manager should try to contact the applicant by phone to request the verification. If there is no phone number, the local department should schedule an interview appointment.

Question 7. How often can someone get expedited FSP benefits?

Answer 7. There is no limit to the number of times a household can be certified under expedited service policy as long as prior to each expedited certification, the household either:

- Provides verification that was postponed at the last expedited certification, or
- Was certified under normal processing standards since the last expedited certification.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
EXPEDITED SERVICE	Section 401	Page 8

401.9 Expedited Food Supplement Program Benefits – Questions and Answers (continued)

Question 8. Can someone get expedited service at recertification?

Answer 8. If the household applies before the end of its current certification period, the expedited service policy does not apply. If the household reapplies after the expiration of the certification period, the household must be screened for expedited service.

Example: Ms. A did not get a notice that the redetermination was due. She did not realize her certification period had expired June 30 until she went to the food store in July and found that her benefits were not available. She reapplied July 6th. The local department determined that she was eligible for expedited service and issued her FSP benefits July 7th under expedited processing procedures. Since this was an agency error, the household would get FSP benefits back to the 1st of the month.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTERVIEWS	Section 402	Page 1

402.1 Purpose

- A. This section describes the interview requirement, the ways in which the requirement may be met, and the basic content of the interview.
- B. Local departments must establish procedures following these guidelines to ensure accurate and timely service to all households, including special needs households such as elderly, disabled, homeless, working household members and households that contain members who are not proficient in English.

402.2 Face to Face Interview

- A. Except for households certified for longer than 12 months and households entitled to a waiver of the face-to-face interview, households must have an interview with a case manager at initial certification and at least once every 12 months thereafter. (See Section 402.4, Waiver of Face to Face Interview, for additional clarification)

1. Local Department Option:

- (a) The local department may choose not to interview households at interim recertifications within the 12-month period.
- (b) **This cannot be on a case-by-case basis. The local department must establish categories and procedures that it will apply consistently to all cases to ensure non-discriminatory treatment.**

Example: The case manager assigns a 4-month certification period to a household that is in an unstable situation. The local department can send the household a mail-in application for the next two recertifications and schedule a face-to-face interview at the 12-month interval.

- 2. The policy about waiving the face-to-face interview for hardship reasons applies to the face-to-face interview at 12-month intervals.
- B. The local department cannot require households to report for an in office interview during the certification period.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTERVIEWS	Section 402	Page 2

402.2 Face to Face Interview (continued)

1. Unclear Information
 - (a) The LDSS may send a request for contact (DHR/FIA1052 or CARES letter) to the customer to clarify unclear information.
 - (b) The request for contact may not require the customer to appear for a face-to-face interview but may advise that a face-to-face interview might be in the customer's best interest. (This would primarily be done with regard to a fraud investigation/intentional program violation.)
 - (c) The case manager will close the case after giving adverse action if the customer does not respond to the request for contact.
- C. The individual interviewed may be any responsible member of the household or an authorized representative. The local department must inform the household that the household will be held liable for any over issuance resulting from erroneous information given by the authorized representative.
- D. Residents of drug addict/alcohol treatment centers and group homes may apply only through a representative who is an employee of the center.
- E. Residents of other group living arrangements may apply and be certified on their own behalf through the use of an authorized representative of their own choosing or by a representative employed and designated by the group living arrangement. The group living arrangement and the applicant's mental and physical ability to handle his or her own affairs will determine which method is used.
- F. The interview normally takes place in the local department or other certification site but may be at another mutually acceptable location, including the household's residence. (See Section 402.3 for home visit requirements)
- G. The site of the interview must be arranged to preserve the privacy and confidentiality of the interview.

402.3 Home Visits

- A. The face-to-face interview may be conducted at the household's home if a waiver of the office interview is requested.
- B. The **date and time of the home visit must be scheduled in advance** with the household. This can be done either by telephone or letter.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTERVIEWS	Section 402	Page 3

402.4 Waiver of Face-to-Face Interview

- A. When a face-to-face interview is required, the local department must inform the applicant that it will waive the face-to-face interview in favor of a telephone interview on a case-by-case basis because of hardship situations.
 - B. These hardship situations include, but are not limited to:
 - 1. Illness,
 - 2. Transportation difficulties,
 - 3. Residency in a rural area,
 - 4. Care of a household member,
 - 5. Prolonged severe weather, or
 - 6. **Work or training hours that prevent a household from participating in a face-to-face interview.**
 - C. There is no requirement to verify the hardship situation.
 - D. The case manager can waive the face-to-face interview at both application and recertification.
- For Payment Accuracy: If you grant a waiver of the face-to-face interview, you must complete a telephone interview with a responsible household member or authorized representative prior to finalizing a case.**
- E. Be sure to narrate the case file to document when a household was granted a waiver of the face-to-face interview because of a hardship situation.
 - F. The waiver of the face-to-face interview must not affect the length of the certification period assigned.
 - G. The waiver of the face-to-face interview does not exempt the household from verification requirements.
 - H. Case managers must document the reason for conducting a telephone interview.
 - I. County waivers of the face-to-face interview at recertification:
 - 1. The State has a federal waiver that allows local jurisdictions to waive all face-to-face interviews at recertification. To implement this waiver, the jurisdiction must obtain approval of the standard operating procedure from the Executive Director of FIA.
 - 2. For counties with approved waivers, the face-to-face interview is replaced with a telephone interview.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTERVIEWS	Section 402	Page 4

402.4 Waiver of Face-to-Face Interview (continued)

3. For evaluation purposes, in these jurisdictions, the case manager must narrate that the interview was completed by telephone and also on CARES enter "TE" in the Special Circumstances field on the ADDR screen.

402.5 Content of the Interview

The purpose of the interview is to acquaint the household with certain aspects of the Food Supplement Program (FSP) and to help the case manager determine the household's eligibility.

- A. The interview must be conducted as an official and confidential discussion.
- B. The applicant should be made to feel at ease and the right to privacy maintained.
- C. The scope of the interview may not extend beyond the examination of the household's circumstances directly relating to the determination of the household's eligibility and basis of issuance.
- D. The household may bring anyone it chooses to the interview.
- E. In order to accomplish its purpose, during the interview the local department will:
 1. Advise the applicant of the household's rights and responsibilities. (This includes privacy rights, the right to review the case record, the right to a fair hearing, the responsibility to cooperate and the responsibility to report changes.)
 2. Review the information provided by the applicant to ensure it is complete and accurate.
 3. Assist the applicant to complete the necessary forms associated with the interview process.
 4. Resolve any unclear or inconsistent information with the applicant.
 5. Request any verification necessary beyond that, which is provided by the applicant at the interview.
 6. Advise the household that failure to report or verify the following expenses is considered a statement by the household that it chooses not to receive a deduction for the unreported or unverified expense:

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTERVIEWS	Section 402	Page 5

402.5 Content of the Interview (continued)

- (a) Dependent care expenses;
- (b) Shelter expenses;
- (c) Medical expenses; or
- (d) Child Support payments.

NOTE: The language in 402.5 (6) above appears on the CARES system-generated Eligibility Determination Document (EDD) and the Rights and Responsibilities Form (9707).

- 7. Advise the applicant of Electronic Benefit Transfer System (EBTS) procedures. (This information may be provided to the applicant by a volunteer or another employee.)
- 8. Advise the customer they may apply for more than one program at the same time or they may file a separate food stamp application.
- 9. Advise the customer that time limits or other requirements that apply to the receipt of TCA do not apply to FSP benefits and if the TCA is closed because the customer has reached the maximum time limit, the customer may still be eligible for FSP benefits.
- 10. Advise the customer that receiving FSP does not affect the TCA time limit.
- 11. At the end of the interview (interactive office interview) give the customer the opportunity to review the eligibility determination document (EDD) prior to their signing it and provide a copy for the customer. (For further clarification of the application process see Section 400 of this manual.)

REMINDER: Do not deny or terminate FSP applications because the customer failed or refused to comply with another program requirement.

402.6 Scheduling Interviews and the Notice of Missed Interview

- A. The local department:
 - 1. Must schedule all interviews as promptly as possible to ensure that timeliness standards are met.
 - 2. Should allow a minimum of 10 days to allow the customer to return any required verification.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTERVIEWS	Section 402	Page 6

402.6 Scheduling Interviews and the Notice of Missed Interview (continued)

- B. If the customer does not appear for the interview, the local department must notify the household that it missed the appointment and that the household is responsible for rescheduling the appointment.
- C. If the household requests a second interview, the local department must schedule one.
- D. **Applicants who come into the local department and cannot be seen the same day must be given an appointment with a specific date and time that the customer will be seen for a face to face interview.**
- E. If the screening process indicates the household meets expedited criteria, the local department must make every effort to interview the household that day if the customer is in the office. If the customer is not in the office, then the local department must schedule the interview so that the household has access to FSP benefits within the expedited time frame. The only exception to this is if the case manager cannot contact the applicant quickly enough to conduct the interview within the expedited time frame. In this case, the case manager will issue FSP benefits as quickly as possible after the interview takes place.
- F. When scheduling an interview on CARES for a household that dropped off or mailed in an application, the local department must take into consideration the mailing time for getting the scheduled interview notice to the customer. Mailing time may add up to three days to the application processing time.

Reminder: The case manager should offer a telephone interview for any hardship reason. Hardship reasons include, but are not limited to: disability of the applicant, transportation or childcare problems and work hours. A telephone interview can help local departments meet application timeliness requirements.

402.7 Felony Drug Conviction and Substance Abuse Testing

402.71 Background

With the certain exceptions, individuals applying for or receiving FSP who has been convicted of a drug related felony for an offense committed after August 22, 1996 involving the possession, use, or distribution of a controlled dangerous substance is ineligible for food stamps.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTERVIEWS	Section 402	Page 7

402.72 Ineligibility due to a Felony Drug Conviction

- A. An individual applying for FSP benefits who has been convicted of a drug related felony after July 1, 2000 that involved an element of manufacturing, distribution, or possession with intent to distribute a controlled dangerous substance may receive FSP benefits if for two years from the date of application the individual:
 - 1. Submits to testing for substance abuse, and
 - 2. Submits to treatment under the guidelines established by the LDSS, if needed, and
 - 3. Meets all other eligibility requirements.

- C. An Individual receiving FSP benefits who is convicted after July 1, 2000 of a drug related felony involving the manufacture, distribution, or possession with the intent to distribute a controlled dangerous substance is:
 - 1. Ineligible for FSP for one year from the date of conviction, and
 - 2. Is subject to testing and treatment for substance abuse for a period of two years starting from the later of the date when the custodial parent is:
 - (a) Released from incarceration,
 - (b) Completes any term of probation,
 - (c) Completes any term of parole and mandatory supervision.

402.73 The Role of the Case Manager

- A. The Case manager must:
 - 1. Complete the interview and the related application or redetermination procedures.
 - 2. Review the Rights and Responsibility Form (DHR/FIA CARES 9707) with the applicant and obtain his signature.
 - 3. **Determine** if an individual in the household has been convicted of a drug-related felony.
 - 4. Inform the individual who has been convicted of a drug related felony that to receive benefits he or she must be screened by the addictions specialist and referred for a drug test.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTERVIEWS	Section 402	Page 8

402.73 The Role of the Case Manager (continued)

5. Inform the customer who has been convicted of a drug related felony of mandatory compliance with the Family Investment Program (FIP) Substance Abuse Treatment (SAT) and Services Program
 6. Refer the individual convicted of a drug-related felony to the addictions specialist for screening and drug testing.
 7. Complete a Substance Abuse Screening Referral (DHR/FIA 1177) form. Write "**convicted drug felon**" in the top portion of the form next to the zip code.
- B. The addictions specialist returns the form within 10 days advising whether the customer is in compliance.

402.74 Compliance

- A. The addictions specialist advises the case manager of the action being taken with the customer for comprehensive assessment and drug testing and whether the customer is in compliance.
- B. Customers are in compliance if the customer:
1. Completed the drug test.
 2. Is awaiting availability of a treatment facility.
 3. Is enrolled in a treatment program.
 4. Has successfully completed a treatment program or was referred to a new program, or
 5. The results of the comprehensive assessment indicate no need for treatment.
- C. Customers are always work registered unless they are otherwise exempt from work registration requirements. Refer to Section 130 of the FSP manual to determine the individual's status.
- D. Individuals who have a felony drug conviction **are not** entitled to a 30-day conciliation period.
- E. Send the adverse action notice and allow adverse action time before removing the individual convicted of a drug-related felony from the household.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CUSTOMER RIGHTS AND RESPONSIBILITIES	Section 403	Page 1

403.1 Purpose

This section describes the general rights and responsibilities of applicants for and recipients of Food Supplement Program (FSP) benefits. They are brought together in this section because they must be generally discussed with the household during the application process.

403.2 Rights Under the Privacy Act of 1974

Inform the household of its rights under the Privacy Act of 1974 whenever personal information or Social Security Numbers are requested. These rights are:

- A. The legal basis for the request and whether it is voluntary or mandatory to give the information;
- B. The uses which may be made of the information;
- C. To whom the information may be disclosed outside the U.S. Department of Agriculture; and
- D. The effects of not providing all or part of the information.

NOTE: Even though personal information must be **furnished voluntarily**, the local department **may deny or terminate FSP benefits** if the withheld information is required for verification purposes and there are no alternate means of verification.

403.3 Confidentiality

- A. Information obtained from households for FSP purposes generally may be released to persons directly connected with the administration or enforcement of the following programs:
 1. Food Supplement Program (FSP);
 2. Temporary Cash Assistance (TCA);
 3. Medicaid (MA);
 4. Supplemental Security Income (SSI);
 5. Temporary Disability Assistance Program (TDAP); or
 6. Any other federal or federally-aided means-tested assistance program.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CUSTOMER RIGHTS AND RESPONSIBILITIES	Section 403	Page 2

403.3 Confidentiality (continued)

- B. Information may be disclosed to a court or county prosecutor when required in civil or criminal proceedings.
- C. Access to FSP case record information may also be provided to employees of the Federal Comptroller General's Office (General Accounting Office).
- D. Local departments are required to make available to any federal, state or local law enforcement officer, upon their written request, information about the household if it is necessary to investigate an alleged violation of the Food and Nutrition Act or regulations. The written request must include the following:
 - 1. The identity of the individual requesting the information,
 - 2. The violation being investigated, and
 - 3. The identity of the person on whom the information is requested.
- E. Local departments are required to make available to any federal, state or local law enforcement officer, upon request, the address, social security number, and the photograph (if available) of any household member if the officer furnishes the member's name and notifies the local department that the member:
 - 1. Is fleeing to avoid prosecution, custody, or confinement for a felony, is violating a condition of parole or probation, or
 - 2. Has information necessary for the officer to conduct an official duty related to a felony/parole violation.
 - 3. When the member has information necessary for the apprehension or investigation of another member who is fleeing to avoid the law.

403.4 Household Access to Case File

- A. The local department will make the information contained in the case file available for inspection during normal business hours upon written request by a responsible member of the household, its authorized representative, or a person acting on behalf of the household.
- B. Do not release confidential information about the household that was obtained without the household's knowledge, or the nature or status of pending criminal prosecution.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CUSTOMER RIGHTS AND RESPONSIBILITIES	Section 403	Page 3

403.5 Right to Apply

- A. The local department must provide an application for FSP benefits to any person who requests one.
- B. The household has the right to file the application the same day it contacts the local department.
- C. The application may be filed in person or by mail.

403.6 Right to Non-Discrimination

- A. Households must not be discriminated against for reasons of:
 - 1. Age;
 - 2. Race;
 - 3. Color;
 - 4. Sex;
 - 5. Disability;
 - 6. Religious beliefs
 - 7. National origin; or
 - 8. Political beliefs.
- B. Households must not be discriminated against in any aspect of program administration. This includes the following:
 - 1. Certification;
 - 2. Issuance;
 - 3. The conduct of fair hearings; or
 - 4. The conduct of any other program services.
- C. To publicize this policy, all local departments must prominently display the Food and Nutrition Service's (FNS) non-discrimination poster: *And Justice for All*. The poster can be requested by contacting the Director of the Family Investment Administration's Office of Programs.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CUSTOMER RIGHTS AND RESPONSIBILITIES	Section 403	Page 4

403.7 Discrimination Complaints

- A. Individuals who feel they have been discriminated against for the reasons described in 403.6A above have the right to file a written complaint.
- B. Local department staff or other Department of Human Resources (DHR) employees to whom the complaint is made will advise the customer within 10 days of the complaint of the following:
 - 1. The right to file a complaint in writing;
 - 2. To whom to address the complaint; and
 - 3. The information required to facilitate the investigation.

- C. Send discrimination complaints to the following addresses:

Director, Office of Employment and Program Equity
 Department of Human Resources
 311 W. Saratoga Street
 Baltimore, Maryland 21201

and

Ellen E. Shannon,
 Regional Civil Rights Director
 USDA, Food and Nutrition Service
 Mercer Corporate Park
 300 Corporate Boulevard
 Robbinsville, New Jersey 08691-1598

- D. The complaint must be filed within 180 days of the alleged discrimination unless the Regional Director extends the filing time. The complaint will contain the following information:
 - 1. The name, address and telephone number or other means of contacting the person alleging the discrimination;
 - 2. The location and name of the organization or office which is accused of discriminatory practices;
 - 3. The nature of the incident, action, or the aspect of program administration that led the person to allege discrimination;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CUSTOMER RIGHTS AND RESPONSIBILITIES	Section 403	Page 5

403.7 Discrimination Complaints (continued)

4. The reason(s) for the alleged discrimination (age, race, color, sex, disability, religious creed, national origin or political belief);
5. The names, titles (if appropriate), and addresses of persons who may have knowledge of the alleged discriminatory acts; and
6. The date(s) on which the alleged discriminatory action(s) occurred.

NOTE: The local department staff or other DHR employee will advise, in writing, the Director, Office of Employment and Program Equity and the FNS Administrator and make every effort to obtain the information described in 403.7 D above if the individual is unable or reluctant to put the complaint in writing.

- E. The Director of the Office of Employment and Program Equity is responsible for the following:
 1. Reporting to the Mid-Atlantic Regional Office of FNS each discrimination complaint processed by DHR within 90 days of the date the complaint is filed, and after advising the Director, FIA Office of Policy, Research and Systems of the complaint.
 2. Advising FIA's Executive Director if a matter of non-compliance still exists after a violation determination from any complaint, or from any compliance review, investigation or other monitoring process.

403.8 General Complaints

The household has the right to present general complaints regarding its treatment to the local department administration or the FNS Regional office. The address of the FNS Regional Office for Maryland is:

Mid-Atlantic Regional Office
USDA/FNS
Food and Nutrition Service
300 Corporate Boulevard
Robbinsville, New Jersey 08691

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CUSTOMER RIGHTS AND RESPONSIBILITIES	Section 403	Page 6

403.9 Supervisory Conference/Fair Hearing

Any applicant, recipient or person acting responsibly for the household has the right to request a supervisory conference or fair hearing. This may be requested whenever a household is dissatisfied with any action, failure to act, or delay by the local department.

403.10 Responsibility of the Household to Cooperate

- A. The household is responsible for cooperating with the local department to determine eligibility, review its eligibility due to reported changes or recertification, and during quality control reviews.
- B. The household may be denied or terminated from the program for its refusal to cooperate with FSP requirements.
- C. In order to make a determination of a refusal to cooperate, the household must be able to cooperate, but clearly demonstrate that it will not take the required actions. For example, a household must refuse to be interviewed and not merely fail to appear for an interview.
- D. If a household is terminated for refusal to cooperate with a Quality Control (QC) review, the household may reapply, but is not eligible until it cooperates with the QC reviewer.

NOTE: A household cannot be denied FSP benefits if there is any doubt regarding whether the household refuses to cooperate rather than failing to cooperate.

403.11 Responsibility to Report Changes

All households must report changes in accordance with section 420.2 of this FSP manual.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HEAD OF HOUSEHOLD/AUTHORIZED REPRESENTATIVE	Section 404	Page 1

404.1 Purpose

The purpose of this section is to describe the policy and procedures regarding the head of household and authorized representative.

404.2 Head of Household

- A. The household may choose who is to be designated as head of household.
- B. Generally, the head of household is one of the following persons:
 - 1. An adult parent of a child (any age);
 - 2. An adult who has parental control over a child (under 18 years of age);
 - 3. One of the adults in an all adult household.

NOTE: All adult household members must agree on the selection of the head of household.

- C. The head of household is only used for case identification purposes.
- D. Do not use the head of household designation to impose special requirements on the household such as requiring that the head of household, rather than another responsible member of the household, make application or appear for the interview.
- E. The local department will designate the head of household if the household declines to designate a head of household or cannot agree on a selection.

NOTE: One of the children of the household may be designated as the head of the household and an adult living in the home (non-FSP household member) may be named the authorized representative if there is no adult member of the FSP household.

For the purposes of application and interview procedures, a responsible household member is any member capable of representing the household by providing the local department with sufficient and accurate information concerning the household's circumstances.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HEAD OF HOUSEHOLD/AUTHORIZED REPRESENTATIVE	Section 404	Page 2

404.3 Authorized Representative

- A. The head of household, spouse or other responsible member may designate an authorized representative to act on its behalf if the authorized representative is aware of the household's circumstances **and** the designation is in writing.

NOTE: Only an adult authorized representative may make application on behalf of the household.

- B. An authorized representative may:

1. Appear for interviews;
2. Apply for benefits for the household;
3. Use the Independence Card to purchase food for the household;
4. Be named to use the Independence Card to purchase food for the household in an emergency.

NOTE: In an emergency situation, the household may designate an emergency authorized representative to use the Independence Card to purchase food for the household. Written authorization must be obtained from the head of household and signed by both the head of household and the emergency authorized representative

- C. Except for situations in which a drug or alcohol treatment center or other group living arrangement acts as the authorized representative, the local department must inform the household that the household will be held liable for any overissuance that results from erroneous information given by the representative.

404.4 Drug/Alcohol Treatment Centers

- A. Residents of drug addiction or alcohol treatment programs (and their children who live with them) may elect to participate in the Food Supplement Program (FSP).
- B. The residents of drug or alcohol treatment centers will apply and be certified for program participation through the use of an authorized representative. The authorized representative must be an employee of and designated by the publicly operated community mental health center administering the treatment program or the private nonprofit organization or institution that is administering the treatment and rehabilitation program.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HEAD OF HOUSEHOLD/AUTHORIZED REPRESENTATIVE	Section 404	Page 3

404.4 Drug/Alcohol Treatment Centers (continued)

NOTE: See manual section 109, Other Special Households, for more information about drug/alcohol treatment centers.

404.5 Group Living Arrangement (GLA) Facilities

- A. Residents of GLA facilities may apply and be certified on their own behalf or through the use of an authorized representative.
- B. The authorized representative may be someone of the resident's choice or a person employed and designated by the GLA facility.
- C. GLA facility personnel must determine if any resident may apply on his or her own behalf. The determination is based on the resident's physical and mental ability to conduct his or her own affairs.
- D. The facility may consult with state agencies, physicians or other health care personnel prior to a determination.

NOTE: See manual section 109, Other Special households, for more information on group living arrangements.

404.6 Restrictions on Authorized Representatives

The following restrictions apply to authorized representatives:

- A. Local department employees involved in the certification or issuance processes and retailers authorized to accept the Independence Card **cannot** act as an authorized representative unless the local department determines that no other representative is available.
- B. Individuals who are disqualified for an intentional program violation cannot act as an authorized representative during the period of the disqualification, unless the following conditions are met:
 1. The individual is the only adult member of the household able to act on its behalf, and
 2. The local department determines that no one else is available to serve as an authorized representative.
- C. Homeless meal providers may not act as authorized representatives for homeless FSP recipients.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
HEAD OF HOUSEHOLD/AUTHORIZED REPRESENTATIVE	Section 404	Page 4

404.7 Disqualification of an Authorized Representative

- A. Local departments may disqualify individuals from participation as an authorized representative for up to one year if they have obtained evidence that an authorized representative misrepresented a household's circumstances or makes improper use of the Independence Card.

NOTE: The provision described above (404.7A) does not apply in the case of drug and alcohol treatment centers and the heads of group homes that act as authorized representatives for their residents. However, local departments will promptly report to the Food and Nutrition Service any drug and alcohol treatment centers and heads of group homes that act as authorized representatives that intentionally misrepresent a household's circumstances. Drug and alcohol treatment centers and the heads of group living arrangements acting as representatives who intentionally misrepresent household circumstances may be prosecuted under applicable Federal and State statutes.

- B. If a local department obtains evidence that an authorized representative misrepresented a household's circumstances or makes improper use of the Independence Card, the local department will:
1. Send written notification to the affected household and the authorized representative 30 days prior to the date of the disqualification.
 2. Include in the notification the following information:
 - (a) The nature of the proposed action;
 - (b) The reason for the proposed action;
 - (c) The household's right to request a fair hearing;
 - (d) The telephone number of the local department; and
 - (e) The name of a local department representative.
- C. A household may not designate an individual disqualified for fraud as an authorized representative during the period of the disqualification unless:
1. The individual is the only adult in the household; and
 2. The local department is unable to arrange for another authorized representative

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SOCIAL SECURITY NUMBERS	Section 405	Page 1

405.1 Purpose

This section describes the policy and procedures for verifying and obtaining Social Security Numbers.

405.2 Participation Requirement

A. Before certification any household participating or applying for participation in the Food Supplement Program (FSP) must for each household member:

1. Provide social security numbers (SSN); **or**
2. Apply for a social security number.

B. If an individual has more than one number, the individual must provide all the numbers.

NOTE: If a household member has more than one SSN, document each number in the narrative and if necessary, refer the individual to the district Social Security Administration office to determine which number is currently active.

C. The SSN must be verified. See verification in Section 405.8.

D. Refusal or failure without good cause to provide a SSN will result in disqualification of the person for whom the SSN is needed. See Failure to Comply in Section 405.5.

405.3 Obtaining Social Security Numbers

A. For individuals who provide SSNs prior to certification, recertification, or at interim change, record the number and verify it as described in Section 405.8.

B. Refer the following individuals to the Social Security Administration (SSA) to apply for a SSN:

1. Those who have no SSN.
2. Those who have a SSN but do not know the number.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SOCIAL SECURITY NUMBERS	Section 405	Page 2

405.3 Obtaining Social Security Numbers (continued)

3. Newborns without SSA Form 2853 that mothers are given in the hospital as proof of applying for a number. Make a referral for a newborn only if this proof is not provided.

If the household is unable to provide proof of application for a SSN for a newborn, the household must provide the SSN or proof of application at its next recertification or 6 months following the month the baby is born, whichever is later. If the household is unable to provide a SSN or proof of application at that time, determine if good cause exists.

EXAMPLE #1: A household is certified from March 1998 through August 1998. A baby was born in May. The household must provide a SSN or proof of application by the end of November.

EXAMPLE #2: A household is certified from April 1998 through March 1999. A baby is born May 1998. The household must provide a SSN or proof of application by the next rectification.

C. Use the Referral Form (DHR/IMA 460):

1. Give the Referral Form to the customer and explain the types of verification required by the Social Security Administration. Retain a copy of the form in the case record.
2. Tell the customer which section SSA must complete to verify the filing for a card.
3. Advise the customer of the need to return the form to the case manager.
4. If the individual cannot provide evidence of application for SSN, he is disqualified from participation unless good cause exists. See Failure to Comply in Section 405.5.

405.4 Special Processing for Expediting Service

- A. Households entitled to expedited service are not required to furnish or apply for a social security number until after they have received their first allotment. However, these households must provide or apply for a SSN prior to their second full month of participation.
- B. Households with a newborn may have up to six months following the month the baby was born to provide a SSN or to supply proof of application for one.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SOCIAL SECURITY NUMBERS	Section 405	Page 3

405.5 Failure to Comply

- A. If a household member refuses or fails without good cause to provide or apply for a SSN, that individual is disqualified from participation in the program.
- B. The disqualification applies only to the individual for which the SSN is not provided and not the entire household.
- C. The income and resources of individuals disqualified for failure to comply are handled in the following manner:
 - 1. Resources - Consider the total value of resources of the disqualified member as available to the household.
 - 2. Income - Count a prorated share of the disqualified member's income as income to the remaining household members. Determine the prorated share by first subtracting any allowable exclusions, then dividing the remainder evenly among the household members, including the disqualified member. All but the disqualified member's share is counted as available to the household.

EXAMPLE: A disqualified member's monthly income is \$200 after exclusions. Three persons are in the Food Supplement Program (FSP) benefit household, not including the disqualified member. Thus, the member's income of \$200, divided by 4, equals \$50 per member. The disqualified member's share of \$50 is not counted, therefore, \$150 of the total income is available to the household and must be counted.

- 3. Deductible expenses - The earned income deduction applies to any income earned by the disqualified member that was attributed to the household. The portion of the shelter, child support, or dependent care expenses either paid by or billed to the disqualified member's share is counted as a deduction for the remaining household members.

EXAMPLE: A disqualified member has gross earned income of \$200 monthly and pays \$60 towards the rent and \$20 towards the utilities. The household contains three persons plus the disqualified member. The household's prorated share of the income equals \$150. The prorated share of rent and utilities are \$45 and \$15, respectively. Include the \$150 in the household's total gross monthly income. Because it is earned income, the household is entitled to the earned income deduction. Consider the \$60 prorated share of the disqualified member's shelter expenses as a deductible shelter expense in the FSP computation.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SOCIAL SECURITY NUMBERS	Section 405	Page 4

405.5 Failure to Comply (continued)

Exception: If the disqualified person is entitled to a medical expense deduction, the household is not entitled to any portion of this person's deduction during the disqualification period. Also, if the person disqualified is the only senior/disabled member of the household, the household is not entitled to the uncapped shelter deduction.

EXAMPLE: The disqualified senior/disabled member has gross unearned income of \$200 monthly and pays \$60 toward the rent and \$21 toward the utilities. The disqualified person has \$60 per month medical expenses. The household normally contains two persons plus the disqualified person. Neither of the other persons is senior/disabled. Total rent for the three persons is \$200 and utilities are \$80. Therefore, during the disqualification, \$140 is assigned to the household as income. No medical expenses are allowed. The household is allowed \$180 for rent [total rent \$200 minus a prorated share of rent paid by the disqualified member (\$20) and \$73 for utilities (total utilities of \$80 minus a \$7 prorated share of utilities paid by the disqualified member \$7). The household is also subject to the cap on shelter expenses.

Once a disqualification penalty is imposed, the household may not declare the disqualified individual to be a separate FSP benefit household. Continue to count the disqualified member's income and resources until the disqualification ends. However, if the disqualified member physically moves out of the home, the household must report the change in household composition. At that point, the disqualified member's income and resources are no longer available to the household and, therefore, not counted.

405.6 Good Cause/Failure Comply

- A. In determining if good cause exists for failure to comply with the requirement to provide or obtain a SSN, consider the information from the household member, the Social Security Administration, and the local department.
- B. Consider documentary evidence or collateral information that the household has applied for the number or made an effort to provide SSA with the necessary information as good cause for failure to comply. If the individual applying for the SSA has been unable to obtain the documents required by SSA, the worker must make every effort to assist the individual in obtaining these documents.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SOCIAL SECURITY NUMBERS	Section 405	Page 5

405.6 Good Cause/Failure to Comply (continued)

- C. Good cause does not include delays due to illness, lack of transportation, or temporary absences, because SSA makes provisions for mail-in applications.
- D. If the household member can show good cause why an application for a SSN was not made in a timely manner, allow that person to participate for one month in addition to month of application.
- E. If the household member has been unable to obtain the documents required by SSA, make every effort to assist the individual in obtaining the documents.
- F. Good cause for failure to apply must be shown monthly in order for the household member to continue to participate.
- G. Once the individual applies for a SSN, the member may participate pending notification of the household member's SSN.

405.7 Ending Disqualification

The household member disqualified may become eligible by providing a social security number or evidence that an application for a social security number has been made.

405.8 Verification at Application

- A. **Social security numbers provided at application must be verified through the Social Security Administration.** Do not delay the certification of an otherwise eligible household solely to validate a household member's SSN, even if the 30-day processing period has not expired. As soon as all other eligibility requirements are met, except for verifying the SSNs, certify the household. Once verified, make a permanent annotation to the case file to prevent unnecessary re-verification in the future.
- B. The following sources may be used to verify a SSN:
 1. The household member's social security card is not sufficient evidence by itself to satisfy the verification requirement, but it may be used to match with other information provided by the Social Security Administration, such as BENDEX or SDX records;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
SOCIAL SECURITY NUMBERS	Section 405	Page 6

405.8 Verification at Application (continued)

2. The household's case record if the SSN was previously verified through an IEVS or SVES match when applying for TCA, PAA or TEMHA;
3. BENDEX or SDX.
4. IEVS or SVES match

405.9 Verification at Recertification

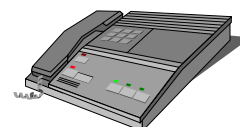
At recertification, verify newly obtained social security numbers, which were not previously verified. Do not re-verify previously verified numbers unless you have questions about the identity of the individual or validity of the SSN.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NORMAL PROCESSING STANDARDS	Section 406	Page 1

406.1 Purpose

This section describes normal application processing standards. It applies to all Food Supplement Program (FSP) benefit applications including combined FSP benefit, TCA and TDAP applications. It also gives the policies that apply when the timeliness standard is not met. (Expedited service requirements are detailed in section 401, Expedited Processing Standards, of this manual.) Local departments are required to provide timely, accurate and fair service to applicants and recipients.

- A. If a household has contacted the wrong district or county office (the household does not live in that district or county), **the local department will:**
1. Advise the applicant of the appropriate office location;
 2. Provide the applicant with an application unless the applicant is living in another state;
 3. Provide any additional information as needed or requested;
 4. Encourage the household to contact the appropriate office;
 5. Offer to forward the application **the same day** to the appropriate office if the household has submitted enough information to file an application; and, if the application is mailed in to an incorrect office, that office will forward the application to the appropriate office by any means that ensures receipt in the correct office on the day it is forwarded.
 6. Advise the household that the **application is not considered filed and processing standards do not begin** until the appropriate office receives the application.
- B. An application can be filed in person or through a representative, by mail and electronically by faxing a signed application to the local department.



Note: The local department must accept applications during all normal business hours, even if the applicant cannot be interviewed at the time the application is dropped off. Remember, if the applicant cannot be interviewed on the day of application, the local department must schedule an appointment for an interview.

- C. A SAIL application is considered filed when the local department receives the application and signature page.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NORMAL PROCESSING STANDARDS	Section 406	Page 2

406.2 Month of Application

- A. The month of application is the calendar month in which the household files its application.
- B. When normal processing occurs and the household is found eligible (even if it is eligible for only one month), it is entitled to benefits for that month, regardless of **the month in which the local department authorizes the FSP benefits.**

Example: A customer applies for FSP benefits on November 13th, returns all required documentation and is found eligible on December 6. The customer is eligible for FSP benefits for November even though the customer will not receive the actual benefits until December.

- C. It is possible for a household to be ineligible for the month of application, but eligible in the next month because of anticipated changes in circumstances. In this case, the same application is used for denial for the month of application and determination of eligibility for subsequent months.

The application for the next month is considered filed on the date the denial occurs. The household does not have to be interviewed again, but additional verification must be requested if needed. The processing standards detailed below also apply to these unusual cases.

Example: Mr. Smith filed an application for FSP benefits for himself, his wife and their two children on November 16 because he was laid off from his job. He will receive his full pay for November. His unemployment will not be processed until the end of December. The application for FSP benefits for November is denied and eligibility begins in December. Mr. Smith **does not** have to file a new application.

406.3 30-Day Standard

406.31 Approval

- A. Eligible households must complete the following initial application process:
 1. Complete and file an application;
 2. Participate in an interview; and
 3. Cooperate to obtain required verification.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NORMAL PROCESSING STANDARDS	Section 406	Page 3

406.4 30-Day Standard (continued)

406.31 Approval

- B. Eligible households must be provided an opportunity to participate as soon as possible, but not later than 30 calendar days after the application was filed at the correct office.
- C. Opportunity to participate means that the household must receive an EBT card and is trained on its use before the 30-day timeliness standard expires.

406.32 Denial

- A. Denial of the application must occur on or before the 30th calendar day after filing under the following conditions:
 1. A household is found ineligible. (Send a denial notice as soon as possible, but not later than 30 calendar days after the application was filed.)
 2. A household refuses to cooperate in the application process. (Send a denial notice at the time of refusal.)
 3. A household misses the initial interview and does not schedule a second interview, and does not contact the local department regarding its application within that time period. (Send a denial notice on the 30th day following the date of the application.)
 4. The household must file a new application if it wishes to participate in the program.
- B. A notice of denial may be sent to household on the 30th day **only if all of the following conditions are met:**
 1. An interview is held on the day of application, and
 2. All of the necessary verification is requested during this interview, and
 3. No requests for verification are made after the date of application, and
 4. The local department provides assistance to the household in obtaining the verification when required, and
 5. The household fails to provide verification.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NORMAL PROCESSING STANDARDS	Section 406	Page 4

406.32 Denial (continued)

NOTE: Local departments must ensure that the application filing and scheduling of interviews allows sufficient time (10 calendar days) for households to return verification within the 30-day processing standard.

406.4 Delays in Processing

If the local department does not determine a household's eligibility and provide an opportunity to participate within 30 days of the date the application was filed, the policies that follow must be applied in order to make the determination of fault.

406.5 Determining Fault

- A. Make a determination of fault at 30-day intervals after the date of application when a case has been delayed. This determination affects the household's entitlement to benefits for the months of delay. It does not determine denial.
- B. Make the determination of fault according to the following guidelines:
 1. Household at Fault:
 - (a) A household is at fault for a delay in processing when the local department takes all the actions required under normal processing procedures, but the household has not completed the requirements. (See chart, Determining Fault).
 - (b) Interviews.
 - (i) For households that fail to appear for an interview the local department must advise the house the responsibility rests with the household to schedule a second interview.
 - (ii) If the household contacts the agency within the 30-day processing time, the agency must schedule a second interview.
 - (iii) If the household fails to schedule a second interview, postpones the interview or cannot schedule it until after the 20th day but before the 30th day, the household must appear for the interview, provide required verifications and complete work registration by the 30th day following application. If the household does not do this, the delay is household fault.
 2. Agency at Fault:

The local department is at fault if it does not follow the processing guidelines or fails in some other way to complete the process even though the household has completed everything required of it. (See chart, Determining Fault).

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NORMAL PROCESSING STANDARDS	Section 406	Page 5

Determining Fault

Delay on the 30th day The result of:	Household at Fault if:	Agency at Fault if:
Incomplete application	The application was not complete even though the agency offered or attempted to offer to help to complete it.	The agency did not offer help or explanations regarding how to complete the application.
One or more members of the household have not registered for work.	<ol style="list-style-type: none"> 1. The agency explained who must register, by what date they must register, and 2. Offered to help complete the necessary form(s), and 3. Gave the household at least 10 days between notification and the 30th day after application to register these members, or 4. The household missed the first interview, another was scheduled between the 20th and 30th day after filing and the worker completed steps 1 and 2 above. 	<ol style="list-style-type: none"> 1. The household was not informed of who must register and/or 2. The registration form(s) were not provided and explained, and/or 3. The household's 1st interview was scheduled more than 20 days after the date of application, thus allowing the household less than 10 days to complete the necessary work registrations.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NORMAL PROCESSING STANDARDS	Section 406	Page 6

Determining Fault

Delay on the 30th day The result of:	Household at Fault if:	Agency at Fault if:
Incomplete Verification	<ol style="list-style-type: none"> 1. Agency explained which statements need verification, what is acceptable verification, by what date verification is needed, and 2. Offered/provided the household assistance to obtain the verification as required, and 3. Allowed the household at least 10 days between the request for the particular verification which is missing and the 30th day, or 4. The household missed the 1st interview, another was scheduled between the 20th and 30th day after filing, and the agency completed 1 and 2 above at that time. 	<ol style="list-style-type: none"> 1. Agency did not explain what verification was needed, and/or 2. Did not offer/provide the household assistance as required, and/or 3. Schedule the household's 1st interview more than 20 days after application, thus allowing it less than 10 days to provide the needed verification, or 4. Agency discovered need for further verification after the interview but failed to allow 10 days between the request for verification and day 30, or 5. Agency offered assistance but neglected to follow through on the collateral contact or release of information.

Determining Fault

Delay on the 30th day The result of:	Household at Fault if:	Agency at Fault if:
Other Interview Factors	1. Household missed 1st interview and requested the 2 nd to be scheduled after the 30 th day. 2. Household missed 2 interviews and requested a 3 rd . No matter when the 3 rd occurs, any delay, which occurs, is considered the household's fault.	1. Agency scheduled the household's 1 st interview more than 30 days after the household filed its application. 2. The household missed its 1 st interview and the household telephones for a 2 nd appointment and the agency schedules the 2 nd more than 30 days after the application is filed.
Other Factors		The agency or other local staff neglect to complete required processing actions, such as calculating the FSP allotment, completing forms to authorize the EBT card, even though the household has completed all of its requirements.

406.6 Delays Caused by the Household

If the 30-day standard has not been met and the local department determines that the household is at fault on the 30th day, proceed as follows:

- A. The case manager should allow CARES to generate a delay notice and add text to inform the household that its case will be denied on the 60th day after application unless the needed actions are taken.
- B. The household is not entitled to FSP benefits for the month of application if it is found eligible.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NORMAL PROCESSING STANDARDS	Section 406	Page 8

406.7 Delays caused by the Agency

If on the 30th day the delay is the fault of the local department, proceed as follows:

- A. Send the household the CARES-generated notice on the 30th day, informing it of any action required to complete the process. (If the action needed is to provide verification, the household has 30 days from the date the notice is sent to provide it.)
- B. The local department must take prompt action to correct whatever caused the delay.
- C. The household is entitled to benefits from the month of application, if it is found eligible.

406.8 Delays Beyond 60 Days

There are three possible situations that can cause delays beyond 60 days:

- A. The local department is at fault, but all information needed to determine eligibility has been obtained.
- B. The local department is at fault and there is still information needed to process the case.
- C. The household is at fault.

406.81 Agency at Fault, Case Information Complete

- A. The case must be processed to make an eligibility determination.
- B. If the household is eligible and the local department was at fault for the initial delay (on the 30th day), the household is entitled to FSP benefits retroactive to the month of application.
- C. If the initial delay was the household's fault, the household is entitled to FSP benefits only from the month following the month of application.

406.82 Agency at Fault, Case Incomplete

- A. The case must be processed.
- B. Missing information must be requested using the pending notice and the *Request for Information to Verify Eligibility (DHR/FIA 1052)*.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NORMAL PROCESSING STANDARDS	Section 406	Page 9

406.82 Agency at Fault, Case Incomplete (continued)

- C. The household has 30 days from the date of the request to provide the missing verification.
- D. The household's entitlement to benefits is determined as described in 406.8 above for delayed cases with complete information.

Note: CARES **will not** automatically deny on day 60 when there is an agency delay. These households will stay pending indefinitely and will not deny until the case is finalized.

406.83 Household at Fault

- A. This will occur if verification is requested after the first 30-day period and the household was given at least 10 days to provide it within the second 30-day period.
- B. The case must be processed.
- C. If verification is provided by the 30th day after it was requested, and the household is found eligible in that month, it is only eligible from the month in which the eligibility determination was made. It is not entitled to lost benefits even if the initial delay was the fault of the local department.
- D. If verification is not provided by the 30th day after it was requested, the application must be denied. The household is not entitled to FSP benefits for the month of application even if the local department was at fault for the initial delay.

406.9 Food Supplement Program Joint Application Processing Procedures Between Social Security Administration and Local Departments of Social Services

- A. The Social Security Administration will:
 1. Take FSP applications from SSI claimants who live in pure SSI households, or are applying for SSI from institutional pre-release programs and are not in a pure SSI household.
 2. Send completed FSP applications to the FSP benefit office along with a transmittal form (SSA-4233) and any verification available.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NORMAL PROCESSING STANDARDS	Section 406	Page 10

406.9 Food Supplement Program Joint Application Processing Procedures Between Social Security Administration and Local Departments of Social Services (continued)

3. Screen for possible entitlement to expedited service, mark the FSP application "Expedited Service" if the applicant wishes and inform the applicant that he may receive FSP benefits sooner if he applies at the appropriate local department of social services.
 4. Take FSP benefit teleclaims in connection with SSI applications or redeterminations.
 5. Refer Title II claimants or SSI claimants who do not live in a pure SSI household to the servicing FSP office.
 6. Complete a FSP application if a FSP recipient has received a notice that recertification is necessary and wishes to reapply.
- B. The Local Department of Social Services will:
1. Certify eligible FSP applicants.
 2. Maintain all FSP records.
 3. Send all required FSP notices.
 4. Authorize FSP benefits.
 5. Take FSP applications from any SSI individual who applies at a local department.
 6. Handle recertification activities.
- C. **IMPORTANT** – The LDSS shall not contact the household applying for FSP benefits in order to obtain information for certification unless:
1. The application is improperly completed;
 2. Mandatory verification is missing; or
 3. The LDSS determines that certain information on the application is questionable. In no event would the applicant be required to appear at the FSP office to finalize the eligibility determination.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
VERIFICATION	Section 408	Page 1

408.1 Purpose

This section provides the general policy regarding all verification. It describes the kinds of information that must be verified at application, recertification and interim change. It also provides a definition of documentary evidence and collateral contacts, and details the household's and local department's responsibility in the verification process. It does not provide details regarding the verification of specific eligibility factors. This information is in the section on each specific eligibility factor.

408.2 Definition

Verification is the use of documentation or third party information to establish the accuracy of statements on the application. The local department will provide the household with written notice of the required verifications. The household has the primary responsibility for providing written documentation to support statements on the application. The household is also responsible for resolving any questionable information.

408.3 Mandatory Verification at Application (Normal Processing)

- A. Verify the following information prior to certification for households initially applying. Do not verify the factors listed in section 408.12 for those households with categorical eligibility:
 1. Gross, non-exempt income;
 2. Social Security Number (verify once, SS card is not necessary);
 3. Medical expenses, including reimbursed amounts, if the household claims allowable medical expenses above \$35 per month. (This is considered an optional verification because obtaining the information does not affect the eligibility decision. However, if the household claims medical expenses it is mandatory to verify the expenses in order to allow the deduction;
 4. Utility expenses, if:
 - (a) Entitlement to a utility standard is questionable
 - (b) If not entitled to claim a utility standard but has a single utility expense
 - (c) The household wishes to claim utility expenses for an unoccupied home. Note: The agency must verify the actual utilities for an unoccupied home and cannot use the utility allowances.
 5. Amount of non-excluded resources;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
VERIFICATION	Section 408	Page 2

408.3 Mandatory Verification at Application (Normal Processing)

6. Residency (except in the case of homelessness, households newly arrived in the project area and some migrant farm workers);
7. Identity;
8. Household composition, if questionable;
9. Immigration status for applicant non-citizens; (for further clarification see Sec 120.14, Immigrants, of this manual)
10. Legal obligation to make child support payments to or for an individual living outside the household and the amount of the actual payment.
11. Disability when necessary for other eligibility determinations (e.g. eligibility for uncapped shelter, medical expenses, student status or exemption from work registration);
12. Shelter costs for a homeless household if it claims shelter expenses that would result in a shelter deduction in excess of the homeless shelter allowance of \$143;
13. Hours worked by an ABAWD and countable months in another state if applicable.

NOTE: It is not intended that the verification of residency and identity in the regular application process result in a change in procedure or need for additional verification. Documents used to verify other factors of eligibility normally suffice to confirm residency and identity.

- B. Verification of residency may be impossible to obtain in certain situations. Some households, such as migrant farm workers and the homeless, may find it impossible to provide documentary proof of residency.
- C. If it proves impossible to verify residency, certify the household for Food Supplement Program (FSP) benefits if otherwise eligible. In addition, no specific document is required to verify residency.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
VERIFICATION	Section 408	Page 3

408.4 Mandatory Verification at Application (Expedited Processing)

Identity is a mandatory verification when processing an application for expedited service. In these instances, the local department must:

- A. Verify the identity of the applicant in all cases through a collateral contact or other readily available documentary evidence.
- B. Make all reasonable efforts to verify the household's residency, income, liquid resources and other factors of eligibility within the expedited processing time frames.
- C. Do not delay certification beyond the expedited processing timeframes if eligibility criteria other than identity cannot be verified.

408.5 Verification of Questionable Information

- A. Local departments must verify all other factors of eligibility if they are questionable and affect the household's eligibility or benefit level.
- B. To be considered questionable, the information on the application must be:
 - 1. Inconsistent with statements made by the applicant; or
 - 2. Inconsistent with other information on the application or on previous applications; or
 - 3. Inconsistent with information received by the local department.
- C. Evaluate each household on the basis of its individual circumstances when determining if information is questionable.

EXAMPLES:

A household's report of expenses that exceed its income may be grounds for the local department's request for further verification. This circumstance, in itself, is not grounds for a denial of benefits. In this instance, explore with the household how it meets its expenses. Request further verification based on the household's response to these questions.

A roomer or boarder has the same last name as someone in the household.

Suddenly there is an absence of medical bills for a household member that has had continuous medical expenses for several years. This could apply to other bills.

Contradictory statements appear on the application.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
VERIFICATION	Section 408	Page 4

408.6 Mandatory Verification of an Expense or Verification of a Questionable Expense

- A. If obtaining required verification of an expense, including medical expenses will delay the household's certification, advise the household that its eligibility and FSP benefit level may be determined without providing a deduction for the unverified expense.
- B. Compute shelter costs without including the unverified elements. Use the Standard or Limited Utility Allowance if the household is entitled to claim it.
- C. Determine the household's eligibility and FSP benefit level without providing a deduction for the unverified expense if the expense cannot be verified.
- D. If the household subsequently provides the missing verification, redetermine the household's benefits in accordance with the timeliness standards in Section 420 (Reporting Changes) of this manual.
- E. The household is entitled to the restoration of FSP benefits (retroactive to the month of application) only if the expense could not be verified within the 30-day processing standard because the local department failed to allow the household sufficient time (see Section 406, Normal Processing) to verify the expense.
- F. Process the household's application as provided in Section 406 if the household is ineligible because the expense is disallowed.

408.7 Verification at Recertification

Re-verify the following information at recertification:

- A. Gross non-exempt income if the source has changed or the amount has changed by more than \$50;
- B. Previously unreported and total recurring medical expenses which have changed by more than \$25;
- C. Actual utility expenses which have changed by more than \$25;
- D. Newly obtained Social Security Number (changes in Social Security Numbers previously verified must be re-verified);
- E. Changes in legal obligation to pay child support, the obligated amount and the actual amount paid to a non-household member;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
VERIFICATION	Section 408	Page 5

408.7 Verification at Recertification (continued)

- F. Changes in immigrant status;
- G. Work hours for ABAWDS;
- H. Changes in residency; and
- I. Changes in household composition, if questionable.

Note: Re-verify other information, including resources, if it is incomplete, inaccurate, inconsistent or outdated.

408.8 Verification at Interim Change

The same verification requirements that apply at initial application apply to changes reported during the certification period with the following exceptions:

- A. Do not verify changes in earned income if the source has not changed and the amount has changed by \$50 or less, unless the information is incomplete, inaccurate, inconsistent or outdated.
- B. Do not verify changes in utility expenses (households with one utility) if the source has not changed or the amount has changed by \$25 or less, unless the information is incomplete, inaccurate, inconsistent or outdated.
- C. Do not verify changes in medical expenses if the source has not changed or the amount has changed by \$25 or less, unless the information is incomplete, inaccurate, inconsistent or outdated.
- D. Verification is not required until the next recertification if a change results in a decrease in FSP benefits.

408.9 Types of Verifications

408.91 Documentary Evidence

- A. Documentary evidence consists of a written confirmation of a household's circumstances. Some examples of documentary evidence include the following:
 1. Wage stubs
 2. Copies of checks
 3. Award letters
 4. Utility bills
 5. Bank statements

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
VERIFICATION	Section 408	Page 6

408.91 Documentary Evidence (continued)

6. Letters from employers, landlords, etc.
 7. Immigration and Naturalization documents and SAVE
- B. The **household is responsible** for providing documentary evidence to support its statements. Households may supply documentary evidence in person, through the mail, by facsimile (fax) or other electronic device or through an authorized representative. The local department **cannot require** the household to present the documentation in person.
- C. The case manager must accept any reasonable documentary evidence as long as it provides adequate verification of the statements provided by the household. Local departments must attempt to assist the household with obtaining documentary evidence if it is difficult or impossible for the household to obtain them on its own.
- D. The case manager must be primarily concerned with whether the verification proves the statements on the application. Simply because a household is in an error-prone situation does not mean there is insufficient verification to prove household member statements.

Reminder: Do not close or deny a FSP benefit case because the household does not provide required verification of expenses such as dependent care, medical or shelter costs. Certify the household without the deduction.

408.92 Collateral Contact

- A. A collateral contact is a verbal confirmation of a household's circumstances. The collateral contact may be made in person or by telephone. Some examples of acceptable collateral contacts include the following:
1. Employers
 2. Landlords
 3. Social service agencies
 4. Neighbors of the household
- B. Substitute a collateral contact or home visit when unable to obtain documentary evidence.
1. Home visits **must be scheduled in advance**; and
 2. **May only be used** when there is not enough documentary evidence to make a firm determination of eligibility or benefit level.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
VERIFICATION	Section 408	Page 7

408.92 Collateral Contact (continued)

- C. The household is responsible for providing the name of the collateral contact. It may request the local department's assistance in designating the collateral contact.
- D. The case manager must remember to have the customer sign **Consent for the Release of Information before requesting verification from a collateral contact.**
- E. The local department is not required to use the collateral contact named by the household if it cannot be expected to provide accurate third party verification. When this occurs, the local department must request the household to name another collateral contact. The local department is responsible for obtaining verification from acceptable collateral contacts.

**Note: Disclose only the information (regarding the customer) that is necessary to obtain the required verification.
Do not disclose information the household has supplied.
Do not disclose that the household has applied for FSP benefits.
Do not suggest the household has done anything wrong.**

408.10 Discrepancies

Local departments must give households a reasonable opportunity to resolve discrepancies prior to eligibility determination when information from another source contradicts statements made by the household.

408.11 Narration

Case records must be narrated to support eligibility, ineligibility, and FSP benefit level determination. Narration must be in sufficient detail to allow a supervisor or reviewer to determine the reasonableness and accuracy of the determination. The narration must also include any additional information regarding the applicant/recipient that is pertinent to the eligibility process.

Some examples of narration include the following:

- A. The reason for the withdrawal of an application, if any was stated by the household, and the withdrawal was confirmed;
- B. Details regarding refusal to cooperate;
- C. The reason a request for a waiver of the office interview is granted or denied;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
VERIFICATION	Section 408	Page 8

408.11 Narration (continued)

- D. The reason information is considered questionable and the verification that was used to resolve the questionable situation;
- E. The reason an alternative source of verification (a collateral contact or home visit) was considered necessary;
- F. The reason a collateral contact was rejected and an alternate requested;
- G. A statement that the decision to average fluctuating income was made by the household;
- H. A statement that the decision to use a utility allowance or actual costs for these items was made by the household;
- I. A statement that income and/or resources was not verified because the household stated that it did not have any, and there was no reason to question its statement.

408.12 Public Assistance (PA) and Supplemental Security Income (SSI) Households

- A. Local departments will accept, without further verification, eligibility factors for the following when a household is categorically eligible as defined in Section 115, Categorical Eligibility, of this manual:
 - 1. Resources;
 - 2. Gross and net income limits;
 - 3. Social security number information;
 - 4. Sponsored alien information; and
 - 5. Residency.
- B. If any of the following factors are questionable, verify that the household:
 - 1. Contains only members that are PA or SSI recipients;
 - 2. Meets the household definition defined in Section 100, Household composition, of this manual;
 - 3. Includes all persons who purchase and prepare food together, regardless of whether they are separate units for PA or SSI purposes; and

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
VERIFICATION	Section 408	Page 9

408.12 Public Assistance (PA) and Supplemental Security Income (SSI) Households (continued)

4. Includes no persons who are disqualified as described in Section 115 of this manual.
- C. Verify factors relating to eligibility determination that are not verified for PA or SSI purposes if required in this section.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME ELIGIBILITY	Section 409	Page 1

409.1 Purpose

This section identifies which households must have their eligibility determined using the gross and net income standards, and which households have their eligibility determined using only the net income standard. It also describes the process for calculating net income and allotment level.

409.2 General Policy

- A. Determining a household's eligibility for Food Supplement Program (FSP) benefits is a two step process:
 1. Determining eligibility to participate; and
 2. If eligible, determining the amount of the allotment.
- B. The determination of eligibility involves three questions:
 1. Does the household meet all of the non-financial and resource criteria?
 2. Does the gross income exceed the gross income limit in Section 600 Column A (130% of the Federal income poverty level or 200% if categorically eligible)?
 - (a) Gross income is a household's total, non-excluded income before any deductions are given.
 - (b) **The gross income limit does not apply to households containing an elderly or disabled member or to households that are categorically eligible.**
 - (c) Categorically eligible Public Assistance or Supplemental Security Income (SSI) households are described in Section 115 of this manual.
 3. Is the net income after all deductions less than the net limit in Section 600 Column B (100% of the Federal poverty level)?
 - (a) Net income is the gross income minus the program's allowable deductions.
 - (b) **The net income limit does not apply to households that are categorically eligible.**

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME ELIGIBILITY	Section 409	Page 2

409.3 Calculation of Net Monthly Income

Follow the procedures described below to determine a household's net income:

- A. Compute total countable monthly income.

Example: Household's income is:

Self-employment	\$200
Earnings	\$500
SSI	<u>\$400</u>
Total Income	\$1100

- B. Subtract 30 percent of the gross self-employment income as a deduction for cost-to-produce as described in Section 104.7.

Example: SE $\$200 \times .30 = \60
Countable SE income is \$140 ($\$200 - \60)

- C. Subtract an earned income deduction of 20 percent of gross monthly-earned income.

Example:	Countable SE	\$140
	Earnings	<u>\$500</u>
	Total	\$640

Earned income deduction is \$128 ($640 \times .20$)
Earned and SE income is \$512 ($\$640 - \128)

- D. Subtract a standard deduction in the amount of \$134.

Example:	Total countable income	\$912 (SSI \$400+\$512)
	Minus Standard Deduction	
	for the household size (see Section 600)	<u>\$134</u>
		\$778

- E. Subtract medical expenses in excess of \$35 per month incurred by a household member who is elderly or disabled as described as described in Section 212.8.

Example: Monthly medical expense is \$50. The allowable deduction is \$15 ($\$50 - \$35 = \15).
Income after medical deduction $\$778 - \$15 = \$763$

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME ELIGIBILITY	Section 409	Page 3

409.3 Calculation of Net Monthly Income (continued)

- F. Subtract payments for the actual cost paid by the household to someone outside the household for the care of a child or other dependent as described in Section 212.7.

Example: Child Care for child age 4 = \$50/month
Income after child care \$763-\$50=\$713

- G. Subtract payments for child support for a person living outside the home as described in Section 212.11.

Example: Court ordered child support is \$80/month.
\$713-\$80=\$633

- H. Subtract a homeless shelter allowance as described in Section 212.10.

- I. Subtract any excess shelter cost.

1. Excess shelter cost is the amount of the shelter cost, as described in Section 212.9 that exceeds 50 percent of the amount of income remaining after the deductions in Sections A – G above.

Example: Shelter cost total \$600
\$600-316 (633x.50)=\$284 (uncapped because of SSI member)

2. Subtract the excess shelter cost not to exceed the maximum in Section 600.

Example: Net income \$349 (\$633-\$284)

3. If the household contains an elderly or disabled member as described in Section 212.3A, subtract the total amount of the excess shelter cost.

- J. Households are **not entitled to both an excess shelter deduction and a homeless shelter allowance.**

409.4 Determining Benefit Level

- A. The household's monthly allotment is equal to the Thrifty Food Plan (maximum FSP allotment) for the household's size reduced by 30 percent of the household's net monthly income as calculated in Section 409.3 above.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME ELIGIBILITY	Section 409	Page 4

409.4 Determining Benefit Level (continued)

Example: Household size is 3
TFP is \$366
FS allotment is \$261
 $\$349 \times .30 = \104.70
 $\$366 - \$105 = \$261$

B. The local department will round up:

1. The product of 30 percent times the household's net income to the next whole dollar if it ends in 1 through 99 cents; and
2. To \$2, \$4, or \$6, respectively if an allotment of \$1, \$3, or \$5 results.

C. CARES will prorate FSP benefits for an initial month as described in Section 412. If the calculation of the initial monthly allotment yields an allotment of less than \$10 for the household, CARES will not issue a benefit for the initial month.

D. **Except** during an initial month, **all eligible one and two person households** will receive a **minimum monthly allotment of \$14 (\$16 effective 4/09)**, and all eligible households with three or more members which are entitled to \$1, \$3, or \$5 allotments will receive allotments of \$2, \$4, or \$6, respectively.

E. A **one or two person categorically eligible household** will always receive **at least a \$14 (\$16 effective 4/09) allotment**, regardless of how high the net income is.

Exception: An initial month may be prorated.

F. Categorically eligible households of three or more persons will receive the allotment listed for the net income on the Basis of Issuance Table. Some categorically eligible households of three or more members may not receive an allotment even when eligible for FSP benefits according to the standards. There is no minimum benefit for households of three or more. The CARES system will automatically close or deny the case.

G. For households that are not categorically eligible, the local department will deny eligible households with three or more members that are entitled to no benefits because net income exceeds the standard.

Exception: Do not deny a household that is program eligible but benefit ineligible in the initial month due to the proration of benefits.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INCOME ELIGIBILITY	Section 409	Page 5

409.4 Determining Benefit Level (continued)

H. A household that files a joint public assistance-FSP benefit application and is categorically eligible after being denied NPA FS benefits will have its FSP benefits for the initial month prorated from the later of:

1. The date from which the local department determines that the household is eligible for public assistance; or
2. The date of the original FSP application.

409.5 Change of Eligibility Standard

When a household's circumstances change and it becomes entitled to a different income eligibility standard, the LDSS will apply the different standard at the next recertification, or whenever the agency changes the household's eligibility, benefit level, or certification period, whichever occurs first.

Example: When a household member turns sixty years old, the household is subject to only the net income standard and would be eligible for an uncapped shelter cost deduction.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CERTIFICATION PERIODS	Section 410	Page 1

410.1 General Policy

- A. The local department establishes a specific period of time during which the household is eligible to receive Food Supplement Program (FSP) benefits. The eligibility period is known as the certification period.
- B. The case manager will assign the longest certification period possible, consistent with the household's circumstances.
- C. The first month of the certification period is the first month for which the household is eligible to participate.
- D. FSP benefits stop at the expiration of each certification period unless the certification period is extended.
- E. Unless the case manager extends a certification period, the FSP benefits will continue only upon completion of a recertification of eligibility based on:
 - 1. A newly completed application or redetermination form,
 - 2. An interview, if required, and
 - 3. Submission of required verification as described in section 408, Verifications, of this manual.
- F. The certification period is based on calendar months. The certification period begins on the first day of the initial month of eligibility.

Example: A household submits an application in March. The household is eligible for FSP benefits in March, but the application is not processed until April. The new certification period begins in March.

Example: A household submits an application in April and it is processed in May. The household is not eligible for FSP benefits in April. The certification period begins in May.

Note: A household that is determined eligible, but is not receiving an allotment because of proration, is considered eligible in that month. The month in which FSP benefits are prorated to zero is the first month of the certification period.

- G. The certification period cannot exceed 12 months.
Exception: The local department may certify households in which **all adult members are elderly or disabled for up to 24 months if the household has no earned income**. If a household is certified for 24 months, the local department must have at least one contact with the household every 12 months.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CERTIFICATION PERIODS	Section 410	Page 2

410.1 General Policy (continued)

H. When a local department completes a recertification, the new certification period begins with the month following the end of the previous certification period.

Example: A household is certified through June. The local department completed the recertification during the month of June. The new certification period will start July 1.

410.2 Length of Certification Periods

- A. Certification periods are limited to 6 months because of simplified reporting, except that certification periods may be up to 24 months for a household in which all adult household members are elderly or disabled as defined in section 212.3 of this manual if the household has no earned income. Make at least one contact with the household every 12 months.
- B. The certification period for simplified reporting households cannot exceed 6 months. CARES will assign a 6-month certification period to households in simplified reporting. All FSP households, with the exception of households receiving Transitional Food Supplement benefits are included in simplified reporting.
- C. In general, the local department will assign the longest certification period possible based on the predictability of the household's circumstances.
- D. The case manager should assign households a certification period of at least 6 months unless the household's circumstances are unstable or the household contains an able-bodied adult without dependents that is subject to the special work requirements (ABAWD).
- E. Migrant and seasonal farmworker households must be assigned a certification period of at least 4 months.
- F. Assign a 6 month certification period for all other households unless you know the household will be ineligible in the near future.
- G. Households may be assigned 1- or 2-month certification periods when it appears the household will become ineligible for FSP benefits in the near future.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CERTIFICATION PERIODS	Section 410	Page 3

410.3 Change in Length of Certification Periods

410.31 Shortening a Certification Period

- A. The case manager **cannot** end a household's certification period earlier than its assigned termination date except under the following conditions:
1. The local department receives information that the household has become ineligible.
 2. The household becomes a part of the simplified reporting group as described in Section 410.31D.
 3. The household has not complied with a request for clarification of unclear information as described in Section 410.33 below.
 4. The household applies for a medical or cash assistance program during a FSP certification period.
 - (a) This is allowed under a federal waiver that will make it easier align the certification/eligibility periods for all programs.
 - (b) This includes reapplication or redetermination for MA or cash assistance.
 - (c) When a FSP recipient applies for another program, including redetermination for another program, the case manager should make every effort to align the end dates so that the customer is not required to come into the local department any more than necessary.
 - (d) When a FSP household applies for a new program, do not shorten the FSP certification period unless you have approved the other program.
 - (e) Make sure that the FSP benefit notice of approval goes out for cases that have been assigned a new certification period. The notice already includes the new certification period, the new FSP benefit amount and appeal rights. The case manager must also notify these households of the availability of continued FSP benefits if they request a hearing and of their liability for any overpayment while awaiting a hearing if the hearing decision is adverse to the household.
- B. Loss of public assistance or a change in employment status is not, by itself, adequate reason for shortening the certification period.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CERTIFICATION PERIODS	Section 410	Page 4

410.3 Change in Length of Certification Periods

410.31 Shortening a Certification Period (continued)

- C. The case manager must act on the information according to reporting requirements in section 420 of the Food Supplement Program Manual.

Note: The local department can shorten a 24-month certification period when a household's situation changes and it is no longer entitled to a 24-month certification period. For example, a household with 2 elderly members was assigned a 24-month certification period. Their son joins the household. He purchases and prepares food with them. This household is no longer entitled to a certification period longer than 6 months. The case manager must send the household a notice of adverse action.

- D. When a household becomes part of the simplified reporting group and the household's remaining FSP certification period extends 6 months or more beyond the processing month, the case manager will:
1. Shorten the certification period,
 2. Notify the household of the new period with a notice that contains a right to a hearing, and
 3. Set the certification end date to 6 full months from the processing date. (If a hearing is held and the household is upheld, the old certification period will be restored.)

410.32 Lengthening a Certification Period

- A. The case manager may lengthen a household's certification period once it is established, as long as the total months do not exceed:
1. 24 months for households in which all adult members are elderly or disabled if no one in the household has earned income,
 2. 6 months for simplified reporting households.
- B. If the case manager lengthens the certification period, the household must be informed of the new certification end date with a notice that includes the same information as a notice of eligibility.

Example: Mr. A was assigned a 6-month certification period. He has a deficit budget. In the second month of the certification period, he received an award letter about his SSI eligibility. Since he was no longer in an unstable situation, the case manager extended his certification period for another 6 months.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CERTIFICATION PERIODS	Section 410	Page 5

410.33 Unclear Information

- A. During the certification period, the case manager may get information about changes in a household's circumstances but cannot readily determine the effect of the change on the household's FSP benefits. This could be information from a third party, from an automated match, or from the household itself.
- B. Use the following procedure to get clarification of the household's situation:
 1. Issue a written request for clarification (RFC), which:
 - (a) Clearly tells the household of the verification it must provide or the actions it needs to take to clarify its circumstances;
 - (b) Gives the recipient at least 10 days to respond and to provide the requested information; and
 - (c) Clearly states the consequences if the household fails to respond to the RFC.
 2. The RFC can be either the 1052 or the CARES letter for requesting information.
 3. If the household does not respond to the RFC, or does respond but refuses to provide sufficient information to clarify its circumstances, the case manager will issue a notice of adverse action and close the case for failure to provide information.
 4. When the household responds to the RFC and provides sufficient information, the case manager must act on the new information.

410.34 Public Assistance Households (TCA, RCA, TDAP and PAA)

Reminder: With a few exceptions, TCA households that have received a regular TCA issuance in the month prior to the month the TCA benefit ended will receive transitional FS benefits for five months after the TCA case closes. Transitional benefits are FSP benefits that are issued to a TCA/FSP household when the TCA case closes. See Section 420.12 for full TFSP policy.

- A. The local department cannot terminate a household's FSP benefits solely because it has terminated the household's public assistance (PA) benefit. The case manager must make a separate determination that the household does not satisfy the FSP requirements.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CERTIFICATION PERIODS	Section 410	Page 6

410.34 Public Assistance Households (TCA, RCA, TDAP and PAA) (continued)

B. The following procedures apply when public assistance is terminated:

1. If a change in household circumstances requires a reduction or termination in the public assistance payment and the case manager has enough information to determine how the change affects the household's FSP benefits, the case manager must take the following actions:
 - (a) If the change requires a reduction or termination of FSP benefits, issue a single notice of adverse action for PA and FSP actions.
 - (b) If the household requests a fair hearing within 10 days, continue benefits in the amount authorized immediately prior to sending the notice unless the household has indicated it does not wish to receive FSP benefits pending appeal.
2. If the household's FSP benefits will increase because of the reduction or termination of public assistance benefits:
 - (a) The case manager must issue the public assistance notice of adverse action, but must not take any action to increase the FSP benefits until the household decides whether to appeal the PA adverse action.
 - (b) If the household appeals the PA adverse action and the PA is continued, the household's FSP benefits must continue at the previous level.
 - (c) If the household does not appeal, the case manager must make the change according to regular change reporting procedures (FSP Manual 420).
3. When a change results in a termination of a household's PA benefit within the certification period, and the case manager does not have enough information to determine how the change affects the FSP benefits:
 - (a) The case manager must issue a request for clarification at the same time that it sends the PA notice of adverse action.
 - (b) Before taking further action, the case manager will wait until after the PA notice of adverse action period expires or until the household requests an administrative hearing, whichever occurs first.
 - (c) If the household requests a hearing and elects to have PA continued pending appeal, the case manager must continue the household's FSP benefits at the same level.
 - (d) If the household does not request a hearing and continuation of its FSP benefits, the case manager must follow the procedures for unclear information and send notice of adverse action.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CERTIFICATION PERIODS	Section 410	Page 7

410.34 Public Assistance Households (TCA, RCA, TDAP and PAA) (continued)

4. If the situation does not require PA notice of adverse action, the case manager will issue a request for clarification and follow the procedures for unclear information.

410.4 Certification Notices to Households

- A. The local department will send the household a written notice (usually system generated) when an eligibility determination is made listing the beginning and ending dates of the certification period.
- B. For an initial application, the notice must be provided as soon as the local department makes the eligibility determination, but no later than 30 days from the date of application.
- C. When required verification is waived on applications approved on an expedited basis, the notice will explain that no additional FSP benefits are provided unless the waived verification is received.
- D. Combine a notice of eligibility with the notice of expiration when providing a household with a notice of expiration at the time of certification.
- E. If the application is denied, the local department will provide the household with written notice of denial that explains the basis for the denial.
- F. If an application is held pending because some action by the local department is necessary to complete the application process, provide the household with a written notice, which informs it that its application has not been completed and is being processed. If some action by the household is needed to complete the application process, the notice will also explain the following:
 1. The action the household must take; and
 2. A denial will occur on the 60th day after the application is filed unless the household takes the required action.

410.5 Application for Recertification

- A. The local department will provide households that have filed an application by the 15th of the last month of their certification period with either of the following:
 1. A notice of eligibility by the end of the current certification period; or
 2. A notice of denial by the end of the current certification period.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
PRORATION TABLES	Section 411	Page 1

411.1 Purpose

In the initial month of certification Food Supplement Program (FSP) benefits are reduced in proportion to the date the application is filed. This section describes the methods for determining the benefit amount for an initial month.

411.2 Determination of Initial Allotment

- A. The amount of FSP benefits that a household receives each month is determined by CARES by subtracting thirty percent of the household's net monthly income from the Thrifty Food Plan amount for the appropriate household size, or by using the Basis of Issuance Tables.
- B. Normally, a household receives the full monthly allotment throughout its certification period. However, the household is entitled to only a partial allotment during the initial month of certification.
- C. FSP benefits are reduced in proportion to the number of days from the application filing date until the end of the application month.
- D. The initial month for a household that participated in the program previously is the first month for which an allotment is issued following a period during which the household is not certified for participation.
- E. A household's eligibility and allotment are determined in the usual manner (by considering all non-excluded income and resources of eligible household members) whether the household receives a full monthly allotment or a prorated amount.

411.3 Use of the Food Supplement Program Allotment Proration Table

- A. To determine allotments for the initial month using the FSP Allotment Proration Table, read down the left column to the appropriate monthly allotment and then across to the date of application.

EXAMPLE: If a household applies on August 20th and is eligible to receive a \$35 monthly allotment based on its net monthly income and household size, the allotment for August is \$12. The allotment for subsequent months is \$35.

- B. Use the table for months with any number of days. If the household is eligible for a \$241 monthly allotment, it receives \$24 for the initial month if it applies on February 28th or \$0 if it applies on March 31st.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
PRORATION TABLES	Section 411	Page 2

411.3 Use of the Food Supplement Program Allotment Proration Table (continued)

- C. If a household's monthly allotment is more than \$400 (the highest number on the table), calculate the prorated amount by multiplying the full monthly allotment by the appropriate factor shown in section 411.5.

- D. Round the product down to the nearest whole dollar if the allotment ends in 1 through 99 cents. Round down to \$0 if the computation results in an allotment of less than \$10.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
PRORATION TABLES	Section 411	Page 3

411.4 Multiplication Factors

Date of Application	Multiplication Factor
1	1.0000
2	.9666
3	.9333
4	.9000
5	.8666
6	.8333
7	.8000
8	.7666
9	.7333
10	.7000
11	.6666
12	.6333
13	.6000
14	.5666
15	.5333
16	.5000
17	.4666
18	.4333
19	.4000
20	.3666
21	.3333
22	.3000
23	.2666
24	.2333
25	.2000
26	.1666
27	.1333
28	.1000
29	.0666
30	.0333
31	.0333

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
PRORATING INITIAL ALLOTMENT	Section 412	Page 1

412.1 Purpose

This section provides the policy for determining the initial month's Food Supplement Program (FSP) benefit.

412.2 Definition of Initial Allotment

- A. The initial month is the first month an allotment is issued. The initial month follows any period during which the household is not certified for participation. This definition does not apply to migrant and seasonal farm workers.
- B. The initial month for migrant and seasonal farm workers is the first month for which the household is certified for participation following any period of more than 30 days during which the household was not certified for participation.
- C. If the household causes an application processing delay beyond 30 days, the first allotment is prorated from the date the household took the required action.
- D. NOTE: Since the household's initial month's FSP benefits depend on the date the application is filed, local departments must ensure that:
 - 1. An application is provided upon request
 - 2. The household's right to same-day-filing is explained
 - 3. The application is accepted the same day it is filed

412.3 Determining Eligibility

- A. Base a household's initial month's allotment on its circumstances for the application month.
- B. The local department will determine the household's normal allotment and then use that amount to prorate FSP benefits for the initial month.
- C. Do not issue an allotment if the prorated amount is less than \$10. (This applies to all households including one and two-person households.)
- D. For subsequent months in the certification period, one and two-person households are eligible to receive the minimum \$10 benefit.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
PRORATING INITIAL ALLOTMENT	Section 412	Page 2

412.4 Determining Initial Allotment

Once the full monthly allotment is determined, use either of the following two methods to determine the initial allotment:

- A. Consult the proration tables provided in Section 411.
 1. The left-most column of the proration tables lists the amounts of a full monthly allotment.
 2. The line across the top of the table shows the days of the month.
 3. The intersection of the day of the month the application is filed and the full monthly allotment is the amount of the household's initial (pro-rated) allotment.
- B. Use the following formula to calculate the initial month's allotment:

$$\text{Full Month's Allotment} \times \frac{\text{31 Minus Date of Application}}{30} \text{ Benefits}$$

Equals The Initial Month's Allotment

NOTE: The "31" in the equation assures that the date of application is included in the allotment. For example, for households that apply on the first of the month: 31 minus 1 = 30, allowing the household to receive a full month's allotment.

NOTE: CARES automatically prorates FSP benefits using the application filing date and the appropriate income and deductions

412.5 Rounding

- A. Round the amount when using the formula to determine the initial month's allotment.
- B. Round down cents from 1 – 99.
- C. A household whose prorated allotment is \$10 or less receives no allotment in the initial month.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
PRORATING INITIAL ALLOTMENT	Section 412	Page 3

412.6 Prorating \$10 Minimum Food Supplement Program Benefit

The initial month's benefit is prorated to one and two-person households normally guaranteed a \$16 minimum benefit for the regular allotment. Do not issue an allotment if the pro-rated amount is less than \$10.

412.7 Expedited Service

CARES will prorate the initial month's FSP benefits for expedited service households in the same way as for all other households.

412.8 Public Assistance (PA) or Supplemental Security Income (SSI) Households – (Categorical Eligibility)

Follow the proration procedure listed below when a household that files a joint public assistance/FSP benefit application obtains categorical eligibility in accordance with section 115 (Categorical Eligibility) after being denied non-cash assistance FSP benefits:

- Prorate FSP benefits for the initial month from the date from which the public assistance is payable, or
- The date of the original FSP benefit application, whichever is later.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 1

420.1 Purpose

The purpose of this section is to describe the policy and procedures regarding household requirements to report changes. What changes must be reported and when they are required to be reported.

420.2 Household Responsibility to Report Changes

420.21 Simplified Reporting Requirements Effective October 1, 2008, all households are subject to simplified reporting requirements.

- A. Under simplified reporting (SR) requirements households are required to report changes only at recertification or when their gross income exceeds 130 percent of the federal poverty level. The 130% is determined based on the household size at the time of certification.
- B. Households must report this change no later than 10 days from the end of the calendar month in which the change occurred, provided the household has at least 10 days within which to report the change;
- C. If the household also receives benefits from another program that has more extensive reporting requirements such as but not limited to TCA, MA, TDAP, or PAA it still must follow the reporting requirements for that program.

Note: Even if the household receives assistance from a program with more extensive reporting requirements, there is no FSP QC error or overpayment if the household does not report the change for the other program.

Example: Ms. A receives FSP and TCA for herself and one child. She began a new job that pays \$1,000 monthly. She did not report this change as required for TCA and is overpaid for TCA. Since her income is below the 130 percent simplified reporting income level for her household size, there is no FSP overpayment.

- D. Able-bodied adults without dependents are required to report when their hours fall below 20 hours per week or 80 hours per month.
- E. Households with income that exceeds 130 percent of the federal poverty level (FSP gross income test):
 - Eligible categorically eligible and elderly/disabled households that have income exceeding the FSP gross income limit (but not the net income limit) have no further reporting requirement until recertification or there is a reported change.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 2

420.21 Simplified Reporting Requirements (continued)

Example: Mr. and Mrs. B receive Social Security retirement benefits in the amount of \$1,600. Both are over 60 years old. Their income is over the gross income limit for a two person household, but with their high medical expenses, they meet the net income test and are eligible for a FSP benefit. Mr. and Mrs. B do not have a reporting requirement until their next recertification. If this household is given a 24 month certification period, they must report any changes at the 12-month contact.

- F. It is important to provide customers with the reporting requirement information sheet at application and recertification. CARES notices will be revised to reflect the simplified reporting requirements.
- G. Case managers are required to take action on any change in a household situation that the local department becomes aware of, regardless of how the local department was made aware of the change.

Example 1: Mary Smith was employed part time (\$7 per hour for 15 hours per week). When she was recertified for FSP in April for the certification period May through October, her household size was 3 people. In June, Ms. Smith's hours increased to 25 hours per week and she received a pay increase to \$7.25 per hour.

At the time of the recertification 130% of the poverty level for a household size of three was \$1,861 per month. Ms. Smith's gross monthly earnings are now:

$$\begin{array}{r}
 \$7.25 \text{ per hour} \\
 \times \text{ 25 hours per week} \\
 \hline
 \$ 181.25
 \end{array}$$

$$\begin{array}{r}
 \$181 \text{ (drop the cents)} \\
 \times \text{ 4 weeks per month} \\
 \hline
 \$724 \text{ gross monthly earned income}
 \end{array}$$

Since Ms. Smith's income is less than the 130% of the federal poverty level identified at recertification, she is not required to report the change.

Example 2: Ms. Smith's daughter moved out of the house in July but Ms. Smith was not required to report the change.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 3

420.21 Simplified Reporting Requirements (continued)

In August, Ms. Smith's hours increase to 40 hours per week and she receives another pay increase to \$10.00 per hour. Ms. Smith called the case manager and reported the change in income.

$$\begin{array}{r} \$10.00 \text{ per hour} \\ \times \text{ 40 hours per week} \\ \hline \$400 \text{ per week} \end{array}$$

$$\begin{array}{r} \$400 \text{ per week} \\ \times \text{ 4 weeks per month} \\ \hline \$1600 \text{ per month} \end{array}$$

The case manager takes appropriate action the change in income at the end of the adverse action period.

Example 3 Same scenario as above except, Ms. Smith has an argument with her daughter, who calls the case manager and reports she has moved out and is no longer part of the FSP household. The case manager is required to take appropriate action on the change even though Ms. Smith was not required to report it.

- H. Changes are considered reported by the household on the date that the local department receives the report via mail, via telephone conversation, personal visit by the household or electronic device (fax or e-mail).
- I. No household caused over issuance/overpayment is created for customers not reporting changes they are not required to report under simplified reporting requirements. **The only customer caused simplified reporting overissuance that can occur is if the customer fails to report when income exceeds 130%.**

Note: Local department failure to act on reported information could result in an agency error.

- J. Do not impose any additional reporting requirements on households.

420.22 Customer Notification of Simplified Reporting (SR) Requirements

- A. At the application or redetermination interview, the case manager determines whether the customer is eligible for FSP and, if eligible, explains the SR requirements to the household and gives an SR guideline instruction sheet to FSP households.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 4

420.22 Customer Notification of Simplified Reporting (SR) Requirements (continued)

- B. The SR instruction sheet includes:
1. The general SR reporting requirements,
 2. A chart outlining the 130% federal poverty level for the household sizes,
 3. An explanation that household size means everyone that was in the household at the last certification action,
 4. A section showing how to calculate household income, and
 5. An explanation of how to identify a reportable change.

420.23 Certification periods for Simplified Reporting Households

- A. Assign at least a 12 month certification period to all households in which all adults are elderly or disabled and that have no earned income. The local department can assign a certification period of up to 24 months for these households, but must ensure that there is a contact every 12 months.
- B. Migrant and seasonal farm worker households must be assigned a certification period of at least 4 months.
- C. Assign a 6 month certification period for all other households unless you know the household will be ineligible in the near future.

420.3 Change Report Form

The local department will:

- A. Provide households a *DHR/FIA 491, Change Reporting Form* to report the required changes, and pay postage for the household to mail the report
- B. Act on changes reported by the household over the telephone, by fax, in person or by other electronic means in the same manner as those reported on the change report form.
- C. Provide a change report form to newly certified households at the time of certification and at recertification if the household needs a new form.
- D. Send the household a new change report form, whenever a change is reported.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 5

420.4 Local Department Action on Changes

The local department will:

- A. Take prompt action on all changes to determine if the change affects the household's eligibility or allotment.

Exception: Do not act on changes in medical expenses that you learn of from a source other than the household and which, in order to take action, require the case manager to contact the household for verification.

- B. Document the reported changes in the case file, provide another change report form to the household and notify the household of the receipt of the change report form, even if there is no change in the allotment.
- C. Notify the household of the adjustment, if a reported change affects the household's eligibility or allotment.
- D. Advise the household of any additional verification requirements.
- E. Document the date of a reported change. The date of the change is the date the change report form is received, or the date the local department is advised of the change over the telephone, by a personal visit or electronic means.
- F. Restore lost benefits to a household if the local department fails to increase benefits within the time limits described in section 420.7 of this manual.

420.5 Increase in Benefits

420.51 Normal Changes

- A. For changes that result in an increase in a household's benefits, other than changes described in section 420.52 below, the local department will make the change effective no later than the first allotment issued ten days after the date the change was reported to the local department.

Example: A \$30 decrease in income reported on May 15th would increase a household's June allotment. The same decrease reported on May 28th would increase the household's allotment no later than July 1.

- B. The local department may make a normal processing change effective earlier than the first allotment issued ten days following the date the change is reported/verified.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 6

NOTE: In the above example, the case manager could increase benefits for June. Local departments that choose this option must apply it to all households and not on case-by-case basis.

420.52 Expedited Changes

- A. The local department will make a change that results in an increase in benefits effective no later than the first allotment issued ten days after the date the change was reported under the following conditions:
 - 1. The addition of a new household member; or
 - 2. A decrease in \$50 or more in the household's gross monthly income.
- B. Make an expedited change effective no later than the month following the month in which the change is reported.
- C. Issue a supplementary benefit to households when they report an expedited change too late to adjust the following month's allotment.

Example: A household reporting a \$100 decrease in income at any time during May is entitled to an increase in June's allotment. If the household reported the change after May 20th and it is too late to increase the allotment by June 1, the local department must issue a supplementary benefit for June.

The local department may issue a supplemental benefit for the month a change is reported. In the above example, the case manager would issue a supplement for the month of May. Local departments that choose this option must apply it to all households and not on a case-by-case basis.

420.6 Verification - Increase in Benefits

- A. Obtain required verification (as described in section 408.8, Verification at Interim Change) prior to taking action on a change that results in an increase in benefits.
- B. Allow the household 10 days from the date the change is reported to provide verification.
 - 1. If the household provides verification within the 10-day period, the time frame for taking action runs from the date the change is reported.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 7

Example: The household reports a decrease in income of \$25 on April 20 and provides verification on April 28. This household is entitled to increased benefits effective in May.

2. If the household fails to provide verification within 10 days from the date the change is reported the time frame for taking action runs from the date the household provides the verification.

Example: A household moves and reports an increase in rent. On April 20, the local department requested verification of rent because it was questionable. Verification was not provided until May 10. The local department will make the change no later than the June issuance.

- C. If the household does not provide verification, do not increase the household's allotment. Upon receipt of the required verification, increase the household's allotment in accordance with section 420.5.
- D. In cases where the local department determines that a household refuses to cooperate in providing the required verification, terminate the household's eligibility following the notice of adverse action. Do not confuse refusal to cooperate with failure to cooperate.

420.7 Decrease in Benefits

- A. Issue a notice of adverse action to a household within 10 days of the date a change is reported when its benefit level decreases or it becomes ineligible as a result of a change.
- B. Make the decrease in the benefit level effective no later than the allotment for the month following the month in which the notice of adverse action period expires, provided the household does not request a fair hearing and a continuation of benefits.
- C. Obtain required verification prior to recertification.
- D. When the notice of adverse action is not used because of one of the exemptions listed in Section 430.4, the local department must make the change no later than the month of following the change.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 8

420.8 Unclear Information

- A. During the certification period, the case manager may get information about changes in a household's circumstances but cannot readily determine the effect of the change on the household's FSP benefits. This could be information from a third party, from an automated match, or from the household itself.
- B. Use the following procedure to get clarification of the household's situation:
 - 1. Issue a written request for clarification (RFC), which:
 - (a) Clearly tells the household of the verification it must provide or the actions it needs to take to clarify its circumstances;
 - (b) Gives the recipient at least 10 days to respond and to provide the requested information; and
 - (c) Clearly states the consequences if the household fails to respond to the RFC.
 - 2. The RFC can be either the 1052 or the CARES letter for requesting information.
 - 3. If the household does not respond to the RFC, or does respond but refuses to provide sufficient information to clarify its circumstances, the case manager will issue a notice of adverse action and close the case for failure to provide information.
 - 4. When the household responds to the RFC and provides sufficient information, the case manager must act on the new information.
 - 5. The RFC must not be used to require customers to meet with or supply information to a fraud investigator.

420.9 Failure to Report a Change

If the local department discovers that a household failed to report a change *that it was required to report* and received benefits to which it was not entitled the local department will:

- A. Establish a claim against the household as described in section 490, Claims Against Households.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 9

420.9 Failure to Report a Change (continued)

- B. Send a notice of adverse action to a participating household upon discovery that the household failed to report a change and received benefits to which it was not entitled.
- C. Not disqualify individuals for failing to report a change unless the individual is disqualified as described in section 480, Intentional Program Violations, of this manual.

NOTE: A household is not held liable for a claim because of a change in its circumstances that it is not required to report in accordance with section 420.2.

420.10 Mass Changes

- A. The State and Federal governments initiate certain changes, which may affect the entire caseload or significant portions of it.
- B. These changes include the following:
 - 1. Adjustments to the:
 - (a) Net income eligibility standards;
 - (b) Shelter deduction;
 - (c) Dependent care deduction; or
 - (d) Standard deductions.
 - 2. Changes to the periodic cost of living adjustments.
 - 3. Adjustments to the State's utility standard.
 - 4. Adjustments to Social Security, SSI and other federal benefits.
 - 5. Adjustments to TCA, RCA, TDAP or PAA payments.
 - 6. Any other changes in the eligibility criteria based on legislative or regulatory actions.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 10

420.101 Federal Adjustments to Eligibility Standards, Allotments and Deductions; State Adjustments to Utility Standards

- A. These types of adjustments will go into effect for all households at a specific point in time.
- B. Although a notice of adverse action is not required, the local department may send an individual notice to those households affected by the change.
- C. The Food and Nutrition Service or the Department's Office of Public Affairs may distribute press releases to the media or complete mass mailings to inform the public of such changes.

420.102 Mass Changes in Public Assistance

- A. When the Department makes an overall adjustment to cash assistance payments, handle corresponding adjustments to the household's FSP benefits as a mass change.
- B. The CARES system generates and sends notices to households at the time of the mass change.
- C. Inform the household of the mass change no later than the date the adjusted allotment is received.
- D. A notice of adverse action is not required when a mass change in cash assistance payments reduces or terminates a household's FSP benefits.

420.103 Mass Changes in Federal Benefits

- A. Whenever a cost-of-living or other mass change in federal benefits occurs, CARES adjusts the FSP allotment for most households accordingly.
- B. For those cases that are not included in the mass change, the local department is responsible for adjusting the household's allotment no later than the second allotment issued after the month in which the change is effective.
- C. The household is not responsible for reporting these changes.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 11

420.104 Administrative Hearings and Continuation of Benefits

- A. The household is entitled to request a hearing when it does not agree with the mass change.
- B. A household that requests a hearing due to a mass change is entitled to continued benefits at its previous level only if the household meets the following criteria:
 - 1. The household does not specifically waive its right to a continuation of benefits;
 - 2. The household requests a fair hearing within 10 days from the date the notice is mailed; and
 - 3. The household's hearing is based on improper calculation of the FSP eligibility of benefit level, or the misinterpretation of federal law or regulation.

420.11 Cash Assistance Households (TCA, RCA, TDAP, PAA)

- A. Cash assistance households with associated FSP cases have the same reporting requirements as any other FSP household.
- B. Consider a reported change for cash assistance as a reported change for FSP purposes.
- C. The local department cannot terminate a household's FSP case solely because it has terminated the household's public assistance (PA) benefit. The case manager must make a separate determination that the household does not satisfy the FSP requirements. **The following procedures apply when public assistance is terminated and the household is not entitled to transitional benefits. If the household is eligible for transitional benefits please read the section on transitional FSP benefits in section 420.12.**
 - 1. If a change in household circumstances requires a reduction or termination in the public assistance payment and the case manager has enough information to determine how the change affects the household's FSP benefits, the case manager must take the following actions:
 - (a) If the change requires a reduction or termination of FSP benefits, issue a single notice of adverse action for PA and FSP actions.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 12

420.11 Cash Assistance Households (TCA, RCA, TDAP, PAA) (continued)

- (b) If the household requests a fair hearing within 10 days, continue benefits in the amount authorized immediately prior to sending the notice unless
 - (c) the household has indicated it does not wish to receive benefits pending appeal.
2. If the household's FSp benefits will increase because of the reduction or termination of public assistance benefits:
 - (a) The case manager must issue the public assistance notice of adverse action, but must not take any action to increase the FSP benefits until the household decides whether to appeal the PA adverse action.
 - (b) If the household appeals the PA adverse action and the PA is continued, the household's FSP benefits must continue at the previous level.
 - (c) If the household does not appeal, the case manager must make the change according to regular change reporting procedures.
 3. When a change results in a termination of a household's PA benefit within the certification period, and the case manager does not have enough information to determine how the change affects the FSP benefits:
 - (a) The case manager must issue a request for clarification at the same time that it sends the PA notice of adverse action (See section 420.8).
 - (b) Before taking further action, the case manager will wait until after the PA notice of adverse action period expires or until the household requests an administrative hearing, whichever occurs first.
 - (c) If the household requests a hearing and elects to have PA continued pending appeal, the case manger must continue the household's FSP benefits at the same level.
 - (d) If the household does not request a hearing and continuation of its FSP benefits, the case manager must follow the procedures for unclear information and send notice of adverse action.
 4. If the situation does not require PA notice of adverse action, the case manager will issue a request for clarification and follow the procedures for unclear information.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 13

420.11 Cash Assistance Households (TCA, RCA, TDAP, PAA) (continued)

Reminder: When a household's TCA benefits are reduced, suspended or terminated due to a failure of the household to comply with a cash program requirement do not increase the FSP allotment. Count the reduced or terminated TCA benefit amount as "phantom" income.

420.12 Transitional Food Supplement Program (FSP) Benefits

- A. Transitional benefits are FSP benefits that are issued to a TCA/FSP household when the TCA case closes.
- B. The amount of the benefit is frozen at the same level for five months unless the household requests recertification or to prevent duplicate participation.
- C. Households Eligible for Transitional Benefits.
 - 1. With a few exceptions, TCA households that have received a regular TCA issuance in the month prior to the month the TCA benefit ended will receive transitional FSP benefits for five months after the TCA case closes.
 - 2. Mixed Households, which include both TCA members and non-TCA members, can also receive transitional benefits when the TCA case closes.

Example: Ms. B lives with her 20-year old daughter (Ms. C) and her two grandchildren. Ms. C receives TCA for herself and the two children. Ms. B receives SSI. They are all included in the same FSP case. When Ms. C's TCA case closes, the household will get transitional benefits.

Example: Ms. K's FS household includes her 20-year old daughter and child and her 19-year old daughter and child. Each of the daughters receives TCA. The 20-year old daughter reports new employment and requests to have her TCA case closed. This household will not get transitional benefits since there is still an open TCA case associated with the FSP household.

Example: Ms. G receives TCA and FSP benefits for herself and one child. Her only income is TCA. In September she reported to her case manager that she had gotten married and her husband was employed. She wants her TCA case closed. Her case is closed effective October 1. She will get transitional benefits from October through February. The benefit is based on a 2-person household with no income.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 14

420.12 Transitional Food Supplement Benefits (continued)

D. A household **will not** get transitional benefits if:

1. The household did not receive a TCA benefit for at least one regular issuance in the month prior to the month the TCA benefit ended.
2. The household moves out of State.
3. The household loses TCA eligibility because of:
 - (a) Failure to comply with work requirements,
 - (b) Failure to comply with child support requirements, or
 - (c) Intentional program violations (IPV).

Example: Mr. G receives TCA for himself, his wife and two children. Mr. G did not comply with TCA work requirements, so his TCA case was closed. This household cannot get transitional benefits. **Reminder:** If this household is still eligible for FSP the case manager will include phantom TCA income in the calculation of the FSP benefit.

4. The entire household is ineligible for FS because of:
 - (a) IPV,
 - (b) Failure to comply with work requirements,
 - (c) Failure to cooperate with Quality Control,
 - (d) Ineligible immigrant status
 - (e) Status as a fleeing felon, or
 - (f) Transfer of assets.

Reminder: An FSP disqualification is usually an individual sanction. Most TCA sanctions result in full family ineligibility. When there are remaining eligible members of the FSP or TCA case, the household is potentially eligible for transitional benefits.

Example: Ms. J and her two children receive TCA and FSP benefits. The local department determined that last year she had committed a FSP IPV, before she applied for TCA. She signed a waiver of the disqualification hearing. Ms. J was disqualified from the FSP for one year beginning in October. In January she reported a new job. Her TCA case is closed effective February. She will get 5 months of transitional FSP benefits for the two eligible household members.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 15

420.12 Transitional Food Supplement Benefits (continued)

E. The Amount of the Transitional Benefit.

1. The transitional benefit amount is based on the amount of FSP benefit the household received in the month before the TCA case closes, adjusted for the loss of the TCA benefit.
2. The amount stays the same for five months, regardless of changes in the family's circumstances, unless the household requests recertification.
3. CARES will count the income, deductions and household size in the month before the TCA case closes and subtract out the TCA grant received in that month.

Example: Mr. A and his two children receive a TCA grant in the amount of \$172. He also receives \$300 in social security benefits for the two children. On January 27, 2003 Mr. A reported that he got a job and requested closure of his TCA case. The TCA benefits will end effective March 1. Transitional FSP benefits are calculated using only the social security income of \$300. His new earnings will not count for the five-month transitional benefit period.

Example: Ms. B lives with her 20-year old daughter (Ms. C) and her two grandchildren. Ms. C receives TCA for herself and the two children in the amount of \$472. Ms. B receives SSI in the amount of \$545. They are all included in the same FSP case. Ms. C got a job in August and reported the information to her case manager on September 5, after receiving her first pay. Her earnings are over the income level for TCA and her TCA case closes effective October 1st. The FSP household is entitled to five months of transitional benefits. The FSP benefit is based on the September FSP benefits adjusted for the loss of the TCA benefit. Ms. B's SSI is the only countable income.

F. Adjusting the Length of the Certification Period.

1. CARES will extend the household's certification period beyond the current period in order to meet the 5-month transitional period.

Example: Ms. E receives FSP benefits and TCA based on no income. She was certified for FSP from January 1 through June 30. On May 10, she reported a job that makes her TCA over scale. She is entitled to transitional benefits beginning June 1 through October 31.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 16

420.12 Transitional Food Supplement Benefits (continued)

2. CARES will shorten the certification period to correspond to the end of the transitional benefit period.
3. The transitional benefit period will never extend past five months.

Example: Mr. M receives FSP benefits for himself and his daughter, Ms. M, and her two sons. The household was certified from November through October. Ms. M receives TCA. In December she requests that the agency close her case because of receipt of social security survivor's benefits. The case manager closes Ms. M's TCA effective January. The transitional benefit period is January through May. The household will have to complete a redetermination to get benefits after May.

G. Reporting Requirements during the Transitional Benefit Period.

1. During the transitional benefit period the household is not required to report any changes for the FSP.
2. The household's benefit remains frozen during the transitional benefit period unless the household requests recertification.
3. If the household is recertified transitional benefits stop and all regular FSP rules apply.

Example: Ms. P receives FSP and TCA for herself and child. She has no income other than TCA. She was certified for FSP from January 1 through June 30. On May 10, she reported a job that makes her TCA over scale. Her TCA case closes effective June 1. She is entitled to transitional benefits beginning June 1 through October 31. In August she reports that she moved to a household with higher shelter costs and that her 10-year old nephew had moved into her home. She requests recertification. The case manager will recertify the household and will use the updated information.

H. Duplicate participation.

1. FSP policy does not allow duplicate participation. If a member of a TFS case leaves a TFS household and either applies as a new household or is reported as a new member of another household, the case manager will remove the individual from the household receiving TFS and add the individual to the other household. To do this the case manager will have to break the TFS freeze.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
REPORTING CHANGES	Section 420	Page 17

420.12 Transitional Food Supplement Benefits (continued)

2. Do not change the FSP household composition during the transitional benefit period unless the household member reapplies as a new household, is reported as member of another FSP household or requests recertification.

FOOD SUPPLEMENT PROGRAM REPORTING GUIDE

✓ **When you are receive Food Supplement Program benefits:**

- You are required to report only when your family's entire gross monthly income is more than the amount listed in the chart for your household size.
- You are not required to report any other changes for your Food Supplement case. (But, if you think a change will increase benefits for your family, you should report it.)
- You should also report an address change so you receive your notices.

✓ **If you receive Temporary Cash Assistance (TCA), Refugee Cash Assistance (RCA), Medical Assistance (MA), Temporary Disability Assistance Program (TDAP) or Public Assistance to Adults (PAA) you must report all changes within 10 days.**

When you report a change for any program, your case manager will make the change for all programs.

- ✓ If your household income goes up, you must see if the total gross monthly income is more than the amount allowed for your household size.
- ✓ Gross income means the amount of earned or unearned income before any deductions, such as taxes or insurance premiums, are taken out.
- ✓ You must report this change no later than 10 days from the end of the month in which your income goes up. Add up the gross income that your household got for the month. Be sure to include both earned and unearned income.
- ✓ Call your case manager if your total income is more than the amounts listed below for your household size.

Household Size	Monthly Income Limit	Biweekly Income Limit	Weekly Income Limit
1	\$1174	\$587	\$293
2	1579	789	394
3	1984	992	496
4	2389	1194	597
5	2794	1397	698
6	3200	1600	800
7	3605	1802	901
8	4010	2005	1002
For more people add	\$406	203	101

Reminder: You must report all changes to your case manager at your scheduled redetermination.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NOTICE OF ADVERSE ACTION	Section 430	Page 1

430.1 Notice of Adverse Action

Local departments must (except as provided in Section 430.4) provide a household timely and adequate notice prior to taking any action to reduce or terminate a household's program Food Supplement Program (FSP) benefits within the certification period.

430.2 Timely Advance Notice

The notice of adverse action is considered timely if it includes at least **10 calendar days** from the date the notice is mailed to the date upon which the action becomes effective.

The local department will consider the request timely received if the adverse action period ends on a weekend or a holiday, and a request for an administrative hearing and continuation of FSP benefits is received the day after the weekend or holiday.

430.3 Adequate Advance Notice

- A. The notice of adverse action is considered adequate if it explains in easily understandable language the following:
1. The proposed action;
 2. The reason for the proposed action;
 3. The household's right to request an administrative hearing;
 4. The telephone number and the name of a contact person at the local department;
 5. The household's liability for any over-issuances received while awaiting an administrative hearing if the Administrative Law Judge's (ALJ) decision is unfavorable to the household; and
 6. The availability of continued FSP benefits.
- B. The local department may send an adequate notice not later than the date the household receives or would have received its allotment if:
1. The household reports the information which results in the termination or reduction of FSP benefits.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NOTICE OF ADVERSE ACTION	Section 430	Page 2

430.3 Adequate Advance Notice (continued)

2. The reported information is in writing and signed by the household.
3. The local department can determine the household's allotment or ineligibility based solely on the information provided by the household.
4. The household retains its right to an administrative hearing.
5. The household retains its right to continued FSP benefits if it requests an administrative hearing within 10 days of the date the notice is sent.
6. The local department continues the household's previous FSP benefit level, if required, within 5 days of the household's request for an administrative hearing.

EXAMPLE: Mrs. Smith sends the local department a Change Report Form to report she has gone to work and wants her case closed. The local department receives the Change Report Form on April 25th. With adequate notice, the local department may close the case effective May 1.

430.4 Exemptions from Notice Requirements

Individual notices of adverse action are not required under the following circumstances:

- A. The state initiates a mass change as described in Section 420.9 (Mass Changes) of this manual.
- B. The local department receives notification of the death of all members of a household based on reliable information.
- C. The local department determines (based on reliable information) that the household has moved from the project area.
- D. The restoration of lost FSP benefits is complete.

NOTE: This exemption applies only in situations where the household was previously notified in writing of when the increased allotment terminates.

- E. The household's allotment varies from month to month within the certification period making it difficult to account for changes anticipated at the time of certification.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NOTICE OF ADVERSE ACTION	Section 430	Page 3

430.4 Exemptions from Notice Requirements (continued)

- F. The household is receiving FSP benefits pending the approval of a cash assistance grant and was notified at the time of certification that FSP benefits would be reduced upon approval of the cash assistance grant.

NOTE: The exemptions listed in 430.4 E and F above apply only in situations where the household was notified in writing at the time of certification.

- G. A household member is disqualified for an intentional program violation, in accordance with Section 480 (Intentional Program Violations) of this manual. This includes the termination or reduction of FSP benefits for the remaining household members.
- H. The local department converts a household from cash and/or FSP benefit repayment to allotment reduction as a result of the household's failure to make the agreed upon repayment as described in Section 490 (Claims) in this manual.
- I. When a household contains a member subject to a lockout or strike, and signs a waiver of its right to notice of adverse action to enable the local department to reduce or terminate FSP benefits when the circumstance is resolved and the household begins receiving income again.
- J. When a longer certification period is given to an expedited household for whom verification was postponed, provided the household is sent written notification that the receipt of FSP benefits beyond the initial month is contingent on the household providing the verification that was postponed.
- K. The household makes a voluntary request for termination, either in writing or in the presence of the case manager. If the household does not provide a written withdrawal, send the household a written confirmation of its withdrawal or termination request that explains to the household why no FSP benefits are to be received and its right to reapply.
- L. The local department determines (based on reliable information) that the household will not be residing in the project area at the time of its next allotment. Notice may be provided before the issuance date, but do not delay the termination in order to provide a notice of adverse action. Local departments must act upon notification that the household moved from the project area within the same 10-day timeframe as for any other reported change.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
NOTICE OF ADVERSE ACTION	Section 430	Page 4

430.4 Exemptions from Notice Requirements (continued)

M. The local department terminates the eligibility of a resident of a drug or alcohol treatment center or a group living arrangement (GLA) if the facility either loses its certification from the appropriate State agency or has its authorized representative status suspended by the Food and Nutrition Service.

NOTE: Residents of GLAs applying on their own behalf are still eligible to participate. They are treated as a roomer.

N. The local department initiates recoupment of a claim against a household that has previously received notice of adverse action with respect to the claim.

430.5 Cash Assistance (CA) or Supplemental Security Income (SSI) Households (Categorical Eligibility)

On the notice of denial for non-public assistance FSP benefits for a household that is potentially eligible in accordance with Section 115 (Categorical Eligibility), the local department must ask the household to inform it if the household is subsequently approved to receive CA or SSI benefits.

430.6 Optional Adequate Notice

- A. When local department mail is sent to a household and it is returned by the post office indicating no forwarding address, it is not necessary to send a notice of adverse action to an address that is known to be incorrect.
- B. The local department may, at its option, send the household a notice of adverse action.
- C. A household whose benefits are terminated without receiving a notice of adverse action is still entitled to an administrative hearing and restoration of benefits if appropriate.

NOTE: The local department must make all reasonable efforts to contact the household (e.g. via telephone) before terminating FSP benefits when the adequate notice is returned by the post office indicating no known forwarding address.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RECERTIFICATION	Section 440	Page 1

440.1 Purpose

This section provides the general policy regarding recertification of Food Supplement Program (FSP) benefit eligibility.

440.2 General Policy

- A. No household can participate beyond the expiration of the assigned certification period without a determination of eligibility for a new period.
- B. The LDSS is responsible for:
 - 1. Notifying households of expiration dates,
 - 2. Providing application forms,
 - 3. Scheduling interviews, and
 - 4. Recertifying households before the expiration of certification periods.
- C. Households must:
 - 1. Apply for recertification, and
 - 2. Comply with interview and verification requirements.

Note: CARES will close the case automatically for failure to complete the recertification process.

440.3 Notice of Expiration

- A. CARES will provide each household with a notice of the expiration of its certification just prior to the last month of its certification period.
- B. The LDSS will provide households certified for one month or certified in the second month of a two-month certification period a notice of expiration at certification.

440.4 Interview

- A. As part of the recertification process the case manager must conduct an interview with a member of the household or its authorized representative at least every 12 months for households certified for 12 months or less.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RECERTIFICATION	Section 440	Page 2

440.4 Interview (continued)

B. Local Department Option:

1. The local department may choose to interview households at interim recertifications within the 12-month period.
2. **This cannot be on case-by-case basis. The local department must establish categories and procedures that will be applied consistently to all cases to ensure non-discriminatory treatment.**

Example: The case manager assigns a 4-month certification period to a household that is in an unstable situation. The local department can send the household a mail-in application for the next two recertifications and schedule a face-to-face or telephone interview at the 12-month interval.

The policy about waiving a face-to-face interview for hardship reasons applies to the required interview at 12-month intervals.

- C. The local department may waive the face-to-face interview at recertification and conduct a telephone interview.
- D. The local department must schedule the interview so that the household has at least 10 days after the interview to provide verification before the certification period expires.

Note: CARES will schedule recertification interviews for most cases well before the end of the certification period.

- E. If a household misses its scheduled interview, CARES sends a notice of missed interview along with the notice of closing.
- F. If the household misses its scheduled interview and requests another interview, the local department must schedule a second appointment.

440.5 Verification

A. The local department must:

1. Verify information provided by the household as required in section 408,
2. Provide the household with a notice of required verification, and

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RECERTIFICATION	Section 440	Page 3

440.5 Verification (continued)

3. Notify the household of the date by which it must provide the verification information.
- B. The household must be allowed at least 10 days to provide required verification.
 - C. If the local department cannot determine a household's eligibility by the end of its certification period because of the time period allowed for submitting any missing verification, it must give the household the opportunity to participate, if eligible, within 5 working days after the household submits the missing verification.

440.6 Timely Application for Recertification

- A. The household completes the application process when it does all the following:
 1. Files a timely application for recertification.
 2. Has an interview, if required.
 3. Submits requested verification within 10 days of the date of the request.
- B. The local department will process a timely application for recertification and provide uninterrupted benefits to any household determined eligible.
- C. To be considered timely:
 1. Households that were certified for one month or certified in the second month of a two-month certification period will have 15 days from the date the notice of expiration is received to file a timely application for recertification.
 2. The LDSS will consider all other households that submit an application by the 15th of the last month of the certification period to have made timely application for recertification.
- D. For households certified at the Social Security Administration (SSA) office, an application is considered filed for normal processing purposes when SSA receives the signed application.
- E. In cases of dispute, the household may demonstrate that the notice of expiration was not received timely.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RECERTIFICATION	Section 440	Page 4

440.7 Action on Timely Re – Applications

- A. Households that were certified for one month or for two months in the second month of the certification period and who have met all required application procedures must be:
 - 1. Notified of their eligibility or ineligibility for FSP benefits, and
 - 2. Given an opportunity to participate, if eligible, not later than 30 days after the date the household obtained its last allotment.
- B. For other households that that have met all application requirements the local department will:
 - 1. Notify the household of eligibility or ineligibility by the end of the current certification period.
 - 2. Provide, if eligible, an opportunity to participate by the household's normal issuance cycle in the month following the end of its current certification period.

NOTE: Households that re-applied timely, but due to local department error are not determined eligible in sufficient time to provide benefits in the household's normal issuance cycle for the following month, will receive an immediate opportunity to participate.

440.8 Delayed Processing

- A. Household Files an Application before the end of the Certification Period
 - 1. If an eligible household files an application before the end of the certification period but the recertification process cannot be completed within 30 days after the date of reapplication because of local department fault (see 406.5 of the Food Supplement Program Manual), the case manager must:
 - (a) Continue to process the case, and
 - (b) Provide a full month's allotment for the first month of the new certification period.
 - 2. If a household files an application before the end of the certification period, but fails to take a required action (i.e. submit verification), the case manager will deny the case at the end of the certification period. (The case will automatically close if required verification is not updated.)

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RECERTIFICATION	Section 440	Page 5

440.8 Delayed Processing (continued)

- (a) The household has 30 days after the end of the certification period to complete the process and have its application be treated the same as an application for recertification. Counties that have simplified recertification applications could use these instead of a longer application. Also policy for verification at recertification would apply.
- (b) If the household takes the required action before the end of the certification period, the local department must provide a full month's FSP benefits for the initial month of the new certification period.
- (c) If the household takes the required action after the end of the certification period but within 30 days after the end of the certification period, the case manager will reopen the case and provide FSP benefits back to the date that the household took the required action.

Example: The household was interviewed for recertification on May 5, at which time the agency requested verification of earnings. The certification period ends May 31. The household provided the information on June 10. The case manager opens the household's case and prorates FSP benefits from June 10.

B. Household files an Application after the End of the Certification Period

1. If the household files an application within 30 days after the end of the certification period, the case manager will consider it as an application for recertification, but the FSP) benefits will be prorated from the date of the new application.
2. If a household's application for recertification is delayed beyond the first of the month of what would have been its new certification period through the fault of the local department, the case manager must restore FSP benefits back to the date the household's certification should have begun.

NOTE: Local departments are not required to apply expedited service policy at recertification if the household applies before the end of its current certification period. It must screen all applications filed after the end of a certification period for entitlement to expedited service.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 1

460.1 Purpose

This section describes the administrative hearings policy and procedures.

460.2 Availability of Hearings

The Department of Human Resources (DHR) will provide an administrative hearing to any household aggrieved by any action of the local department that affects the household's participation in the Food Supplement Program (FSP).

460.3 Notification of the Right to Request an Administrative Hearing

The local department will:

- A. At the time of application inform each household in writing:
 - 1. Of its right to an administrative hearing;
 - 2. Of the method by which the household may request an administrative hearing; and
 - 3. That a household member or a representative, such as legal counsel, relative, friend or other spokesperson may present the household's case.
- B. Remind a household of its right to an administrative hearing any time the household expresses to the local department that it disagrees with the local department's action.
- C. Inform the household of any individual or organization that provides free legal representation.

460.4 Time Period for Requesting an Administrative Hearing

- A. Allow a household to request an administrative hearing on any action by the local department or loss of benefits that occurred in the prior ninety days.
- B. Action by the local department will include a denial of the request for restoration of any benefits lost more than ninety days but less than a year prior to the request.
- C. A household may request an administrative hearing to dispute its current level of benefits at any time within a certification period.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 2

460.5 Request for an Administrative Hearing

- A. A request for an administrative hearing is any clear expression (verbally or in writing) by the household or its representative that it wishes to present its case to a higher authority.
- B. Normally, a household requests an administrative hearing by completing and returning to the local department the *DHR/FIA 334, Appeal for Administrative Hearing* form.
- C. All requests for an administrative hearing must be reported immediately to the local department's designated hearings coordinator.
- D. Request that the household clarify its grievance if it is unclear from the household's request what action it wishes to appeal.
- E. Do not limit or interfere in any way with the household's freedom to make such a request.
- F. The local department will forward the request for an administrative hearing to the Office of Administrative Hearings (OAH) at the following address:

Administrative Law Building
11101 Gilroy Road
Hunt Valley, Maryland 21031-1301

460.6 Agency Responsibilities on Administrative Hearing Requests

- A. Upon request, the local department will make available without charge the specific materials necessary for a household or its representative to determine whether a hearing should be requested or to prepare for a hearing.
- B. Upon request, the local department will assist the household with its hearing request.
- C. The local department will reduce an oral appeal request to writing within seven calendar days of the request. The date of the oral request is the filing date of the request.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 3

460.6 Agency Responsibilities on Administrative Hearing Requests (continued)

- D. Within five days of the filing date the local department will forward requests for an administrative hearing to OAH. The request must include the following information:
1. The date of the request;
 2. The name and address of the appellant;
 3. The action being appealed;
 4. The date of the action being appealed;
 5. The date the advance notice was mailed to the appellant; and
 6. Whether, pending the appeal, benefits will be continued at the same level.
- E. The local department must prepare a summary of the facts pertinent to the case and its basis for action. Forward the summary and copies of all documents to be presented at the hearing to the appellant and OAH at least six calendar days before the hearing date.
- F. Advise the household of any legal services available that can provide representation at the hearing.
- G. Expedite hearing requests from households such as migrant farm workers that plan to move from the jurisdiction of the hearing official before a hearing decision would normally be reached.
- H. Process hearing requests from households described in 460.6G faster than others if necessary to enable them to receive a restoration of benefits (if the decision so indicates) before they leave the area.
- I. The local department will provide bilingual staff or interpreters who speak the appropriate language if the individual making the hearing request speaks a language other than English.
- J. Offer the household a pre-hearing conference.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 4

460.7 Pre-hearing Conferences

- A. The local department will offer agency conferences to households that wish to contest the denial, closure or reduction of benefits.
- B. The local department will advise households that the use of an agency conference is optional and that it will in no way delay or replace the administrative hearing process.
- C. The case manager may attend the agency conference. A Family Investment Program supervisor and/or the local department director and the household and/or its representative must attend the conference.
- D. Agency conferences may lead to an informal resolution of the dispute. Unless the household makes a written withdrawal of its request for a hearing, the local department conference will in no way replace the administrative hearing process.
- E. The local department will schedule agency conferences for households contesting a denial of expedited service within two working days, unless the household requests that it is scheduled later or states that it does not wish to have an agency conference.

460.8 Notification of Time and Place of Hearing

- A. The Office of Administrative Hearings will notify the appellant and the local department of the date, time and location of the hearing. The notice is provided to the parties within fifteen calendar days before the scheduled hearing.
- B. The household may request less advance notice to expedite the scheduling of the hearing. The notice will:
 1. Advise the household or its representative of the name, address and phone number of the appropriate person to notify in the event that it is not possible for the household to attend the scheduled hearing;
 2. Specify that the hearing official will dismiss the hearing request if the household or its representative fail to appear for the hearing without good cause;
 3. Explain that the household or its representative may examine the case file prior to the hearing; and

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 5

460.8 Notification of Time and Place of Hearing (continued)

4. Include the hearing procedures and any other information that provides the household with an understanding of the proceedings and would contribute to the effective presentation of the household's case.

460.9 Household Request for Postponement

- A. A household may request and is entitled to receive a postponement of a scheduled hearing.
- B. The postponement will not exceed thirty days and the time limit for action on the decision may be extended for as many days as the hearing is postponed. For example, if the household postpones a hearing for ten days, the final action is required within seventy days from the date of the request for a hearing.

460.10 Attendance at Hearing

- A. A local department representative and the household and/or its representative will attend the hearing.
- B. Friends or relatives of the household may attend the hearing if the household chooses.
- C. The hearing official has the authority to limit the number of persons in attendance at the hearing if space is limited.

460.11 Consolidated Hearings

- A. The hearing official may respond to a series of individual requests for hearings by conducting a single group hearing.
- B. The hearing official may consolidate cases when related issues of State and/or Federal law, regulation or policy are the sole issues raised and only when individual issues of fact are not disputed.
- C. In all group hearings, follow the policies governing individual hearings.
- D. Each individual household is allowed to present its own case or have the case presented by its representative.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 6

460.12 Denial or Dismissal of a Request for an Administrative Hearing

The hearing official cannot deny or dismiss a request for an administrative hearing unless:

- A. The request is not received within the specified time period;
- B. The request is withdrawn in writing by the household or its representative; or
- C. The household or its representative fails, without good cause, to appear at the scheduled hearing; or
- D. The household or its representative orally withdraws the request and the State agency has elected to allow such oral requests.
 - 1. The local department is prohibited from coercion or actions, which would influence the household or its representative to withdraw the household's request for an administrative hearing.
 - 2. The local department must provide written notice to the household confirming the household's oral request to withdraw the administrative hearing request.
 - 3. The written notice must indicate the household has 10 days from the date it receives the notice to request a administrative hearing or to advise the State of the household's desire to reinstate the hearing request.

460.13 Household Rights During the Hearing

Since the household may not be familiar with administrative hearings procedures, it may be necessary to make efforts to arrive at the facts of the case in a way that makes the household most at ease. The local department will:

- A. Give the household or its representative an adequate opportunity to examine all documents and records to be used at the hearing at a reasonable time before the date of the hearing as well as during the hearing;
- B. Make available the contents of the case file (including the application form and documents used to establish the household's eligibility and allotment), provided that confidential information such as the names of individuals who have disclosed information about the household without its knowledge or the nature or status of pending criminal prosecution is not released;
- C. Provide free copies of the relevant portions of the case file if requested by the household or its representative.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 7

460.13 Household Rights During the Hearing (continued)

D. Not introduce as evidence:

1. Confidential information that is protected from release; or
2. Other documents or records that the household would not have the opportunity to contest or challenge at the hearing or affect the hearing official's decision.

E. Provide the household the opportunity to:

1. Present its case or have it presented by a legal counsel or other person;
2. Bring witnesses;
3. Advance arguments without undue interference;
4. Question or refute any testimony or evidence, including the opportunity to confront and cross-examine witnesses; and
5. Submit evidence to establish all pertinent facts and circumstances in the case.

460.14 Designation of the Hearing Official

The hearing official will be:

- A. An employee of the State agency;
- B. An individual under contract with the State agency;
- C. An employee of another agency designated by the State agency;
- D. A member or official of a statutory board or other legal entity designated by the State agency to conduct hearings; or
- E. An executive officer of the State agency, a panel of officials of the State agency, or a person or persons expressly appointed to conduct State and/or local level hearings.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 8

460.15 Power and Duties

The hearing official will:

- A. Administer oaths or affirmations as required;
- B. Ensure that all relevant issues are considered;
- C. Request, receive and make part of the record all evidence determined necessary to decide the issue raised;
- D. Regulate the conduct and course of the hearing consistent with due process;
- E. Order, where relevant and useful, an independent medical assessment or professional evaluation from a source mutually satisfactory to the household and the local department; and
- F. Provide a hearing record and recommendation for a final decision by the hearing authority, or if the hearing official is the hearing authority, render a hearing decision in the name of the State agency, which will resolve the dispute.

460.16 Hearing Decisions

- A. Decisions by the hearing official will comply with federal law or regulations and will be based on the hearing record.
- B. The following constitutes the exclusive record of a final decision by the hearing authority:
 - 1. The verbatim transcript or recording of testimony and exhibits;
 - 2. An official report containing the substance of what transpired at the hearing; and
 - 3. All papers and requests filed during the proceeding.
- C. The hearing record will be available at any reasonable time to the household or its representative for copying and inspection.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 9

460.16 Hearing Decisions (continued)

- D. A decision by the hearing official is binding on the local department, and will:
1. Summarize the facts of the case;
 2. Specify the rationale for the decision; and
 3. Identify the supporting evidence and pertinent Federal and State regulations or policy.
- E. The decision is made part of the case record.
- F. The household and local department will each be notified of the following:
1. The decision;
 2. The rationale for the decision;
 3. The available appeal rights; and
 4. That the household's benefits are terminated or issued as decided by the hearing authority.

460.17 Timely Action on Hearings

- A. The Office of Administrative Hearings will ensure that:
1. A hearing is conducted;
 2. A decision is reached; and
 3. The local department and the household are notified of the decision within sixty days of the receipt of a request for an administrative hearing.
- B. Decisions resulting in an increase in household benefits will be reflected in the allotment within ten days of the receipt of the hearing decision, even if the local department must provide the household with an opportunity to obtain the allotment outside of the normal issuance cycle.
- C. The local department may take longer than ten days if it elects to make the decision effective in the household's normal issuance cycle, provided the issuance will occur within sixty days from the household's request for a hearing.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 10

460.17 Timely Action on Hearings (continued)

- D. Decisions resulting in a decrease in household Food Supplement Program (FSP) benefits are reflected in the next scheduled issuance following receipt of the hearing decision.

460.18 Implementation of Hearing Decisions

The local department will:

- A. Ensure that all final hearing decisions are reflected in the household's allotment within the time limits specified in Section 460.17;
- B. Provide lost FSP benefits to households in accordance with Section 470 (Restoration) when the hearing authority determines that a household was improperly denied FSP benefits or issued a lesser amount than was due;
- C. Restore FSP benefits to households that are leaving the project area before the departure whenever possible;
- D. Accept an authorization and issue the appropriate benefit if the notice is presented in a new project area by the household or received directly from another project area; and
- E. Prepare a claim against the household for any over-issuance when the hearing official upholds the local department's action.

460.19 Continuation of Food Supplement Program Benefits

- A. Except as described in 460.19 B, below, the local department will automatically continue or reinstate FSP benefits if a household requests a administrative hearing within ten calendar days of the later of:
 - 1. The mailing of timely and adequate notice;
 - 2. The date of the agency's action if the agency failed to give timely notice; or
 - 3. The date the agency was required to act on an application or make an adjustment to FSP benefits and failed to act.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 11

460.19 Continuation of Benefits (continued)

B. The local department will not continue or reinstate benefits pending appeal if:

1. The household specifically requests that benefits not be continued or reinstated; or
2. Its certification period has expired.

C. When benefits are reduced or terminated due to a mass change, reinstate participation on the prior basis only if the issue being contested is that eligibility or FSP benefits were improperly computed or that Federal law or policy is being misapplied or misinterpreted by the local department.

D. If a household requests a hearing send the household DHR/FIA 334 (Appeal for Administrative Hearing Form) for completion and return.

E. Assume that the household desires the continuation of FSP benefits and issue them accordingly if the form does not positively indicate that the household has waived the continuation of benefits.

F. Establish a claim against the household for all over-issuances if the local department's action is upheld by the hearing decision.

G. Reduce or terminate the household's benefits (as provided by the advance notice) if a hearing request is not made within the advance notice period.

NOTE: If the household establishes that its failure to make the request within the advance notice period is for good cause, reinstate the benefits on the prior basis.

H. Once continued or reinstated, do not reduce or terminate FSP benefits prior to the receipt of the official hearing decision, unless:

1. The certification period expires. (The household may reapply and determined eligible for a new certification period with a FSP benefit amount as determined by the local department.);
2. The hearing official makes a preliminary determination (in writing and at the hearing) that:
 - (a) The sole issue is one of Federal law, regulation or policy; and

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
ADMINISTRATIVE HEARINGS	Section 460	Page 12

460.19 Continuation of Benefits (continued)

- (b) The household's claim that the local department computed the benefit incorrectly or misinterpreted or misapplied such law, regulation or policy is invalid;
- 3. A change affecting the household's eligibility or basis of issuance occurs while the hearing decision is pending and the household fails to request a hearing after the subsequent notice of adverse action; or
- 4. A mass change affecting the household's eligibility or basis of issuance occurs while the hearing decision is pending.

NOTE: The local department will properly inform the household in writing if benefits are reduced or terminated pending the hearing decision.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESTORATION OF BENEFITS	Section 470	Page 1

470.1 Entitlement

- A. The local department will restore Food Supplement Program (FSP) benefits to households that lost them whenever:
 - 1. The loss was caused by an error by the local department;
 - 2. The regulations state that the household is entitled to the restoration of lost FSP benefits; or
 - 3. There is a reversal of an intentional program violation (IPV) disqualification.
- B. Do not restore FSP benefits if lost more than twelve months prior to the most recent of the following:
 - 1. The month the local department is notified by the household or by another person or agency in writing or verbally of the possible loss to that specific household;
 - 2. The month the local department discovers, in the normal course of business, that a loss to a specific household has occurred; or
 - 3. The date the household requests a administrative hearing to contest the adverse action that results in the loss.
- C. The local department will restore FSP benefits to the household even if it is currently ineligible.

470.2 Errors Discovered by the Local Department

- A. Automatically take action to restore any FSP benefits to the household that were lost if it is determined that the loss was not caused by the household. No action by the household is necessary.
- B. Do not restore FSP benefits if they were lost more than:
 - 1. Twelve months prior to the month the loss is discovered by the local department in the normal course of business; or
 - 2. Twelve months prior to the month the local department is notified in writing or verbally of a possible loss of benefits.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESTORATION OF BENEFITS	Section 470	Page 2

470.2 Errors Discovered by the Local Department (continued)

- C. The local department will notify the household of the following:
1. Its entitlement to a restoration of FSP benefits;
 2. The amount of FSP benefits to be restored;
 3. Any offsetting done;
 4. The method of restoration; and
 5. The right to request a administrative hearing if the household disagrees with any aspect of the proposed lost FSP benefit restoration.

470.3 Disputed Food Supplement Program Benefits

- A. If the local department determines that a household is entitled to the restoration of lost FSP benefits, but the household disagrees with the amount to be restored, it may request an administrative hearing within ninety days of the date the household is notified of its entitlement to the restoration of lost FSP benefits.
- B. Restore lost FSP benefits to households that request an administrative hearing if it is requested prior to or during the time lost FSP benefits are restored.
- C. If an administrative hearing decision is favorable to the household, restore the lost FSP benefits in accordance with that decision.
- D. If the household believes it is entitled to the restoration of lost FSP benefits but the local department disagrees, the household has ninety days from the local department's determination to request an administrative hearing.
- E. Restore lost FSP benefits to the household only if the administrative hearing decision is favorable to the household.
- F. Do not restore FSP benefits lost more than twelve months prior to the date the local department is initially informed of the household's entitlement to lost benefits.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESTORATION OF BENEFITS	Section 470	Page 3

470.4 Computing the Amount to be Restored

After correcting the loss for future months and excluding those months for which FSP benefits may have been lost prior to the twelve-month time limits, calculate the amount to be restored as follows:

- A. Calculate the loss of FSP benefits only for those months the household participated if it was eligible but received an incorrect allotment.
- B. If the loss is caused by an incorrect delay, denial or termination of FSP benefits, calculate the months affected as follows:
 1. If an eligible household's application is erroneously denied, the month the loss initially occurred is:
 - (a) The month of application; or
 - (b) The month following the expiration of a household's certification period, if the household filed a timely application.
 2. Calculate benefits for the months lost for delayed applications.
 3. The first month of an erroneous termination is the first month an initial loss occurs.
 4. Calculate the loss for each month subsequent to the date the loss initially occurred until either the first month the error is corrected or the first month the household is found ineligible.
- C. For each month affected by the loss determine if the household was actually eligible. In instances where there is insufficient information to determine eligibility, advise the household of the information necessary to determine eligibility for these months. For each month the household cannot provide the necessary information, consider the household ineligible.
- D. For the months the household was eligible, calculate the allotment the household should have received. A household that receives a smaller allotment than it was eligible to receive is entitled to the difference between the actual and correct allotment.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESTORATION OF BENEFITS	Section 470	Page 4

470.4 Computing the Amount to be Restored (continued)

- E. If a claim against a household is unpaid or held in suspense, offset the amount to be restored against the amount due on the claim before the balance, if any, is restored to the household. Do not reduce a household's initial allotment to offset claims (even if the initial allotment is paid retroactively) when the household is certified and receives its initial allotment.

470.5 Lost Benefits to Individuals Disqualified for an IPV

- A. Restore lost FSP benefits for the months an IPV is disqualified only if the disqualification decision is subsequently overturned or reversed.
- B. Determine the restored amount by computing the allotment the household would have received had the disqualified member participated.
- C. If the household received a smaller allotment than it should have received, restore the difference.
- D. Restore any FSP benefits lost during the months the individual was disqualified, not to exceed twelve months from the date the decision is reversed.

470.6 Method of Restoration

- A. Regardless of a household's current eligibility or ineligibility, restore lost FSP benefits to a household by issuing an allotment equal to the amount of FSP benefits that were lost.
- B. Issue the restored amount in addition to the allotment currently eligible households are entitled to receive.
- C. Restore lost FSP benefits in monthly installments if requested by the household.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
RESTORATION OF BENEFITS	Section 470	Page 5

470.7 Change in Household Composition

- A. In case of a change in household composition, restore lost FSP benefits to a majority of the individuals who were household members at the time the loss occurred.
- B. If the majority of household members cannot be determined, restore lost FSP benefits to the household that contains the head of household at the time of the loss.

470.8 Replacement of Food Supplement Program Benefits for Food Lost in a Household Misfortune

- A. Local departments can issue replacement FSP benefits to ongoing recipients when the household reports that food purchased with FSP benefits was destroyed in a household misfortune.
- B. The replacement FSP benefit is the amount of the household's loss of food, up to the maximum of the household's allotment.
- C. As a general rule, the household must report the loss within 10 days of the date of the loss of food.
- D. Prior to issuing the replacement, the local department must get a signed statement from a member of the household attesting to the household's loss. A copy of a form that you may use follows this section.
- E. The household may mail in the required statement if the household member is unable to come to the office because of age, disability, distance from the office or some other hardship reason and can not appoint an authorized representative.

For Local Department Use:

For Local Department Use:		Case Number
FS Case Name	Date	Locality
Address	City, State, Zip	

Food Replacement Request

How was food destroyed or damaged?
Value of destroyed food:

I hereby certify, under penalty of perjury, that the household listed above has experienced the destruction of food, in the month of _____, 200__.	
Signature	Date

Instructions for completing Replacement of Lost Food Affidavit

PURPOSE AND USE OF FORM – This form allows the local agency to assess the value of food destroyed. Depending on the reason for the loss, the local department may provide additional food supplement benefits to cover the value of food destroyed.

USE OF FORM – The agency must provide the form to households that report a household disaster that resulted in the loss of food purchased with food supplement benefits.

NUMBER OF COPIES – Two.

DISPOSITION OF FORM – The local agency must provide a copy of the completed form to the household and file a copy in the case record.

INSTRUCTIONS FOR PREPARATION OF FORM – Local agency staff should complete the identifying case information at the top of the form. A household member or an authorized representative must complete or provide information for the bottom section regarding food destroyed. A household member must sign and date the form.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 1

480.1 Purpose

This section describes the policy and procedure applied to those Food Supplement Program (FSP) benefit applicants or recipients who commit an intentional program violation (IPV).

480.2 Definition of Intentional Program Violation

An intentional program violation is when a FSP benefit applicant or recipient intentionally:

- A. Makes a false or misleading statement;
- B. Misrepresents, conceals or withholds facts; or
- C. Violates the FSP Act or program regulations relating to the use, presentation, transfer, acquisition, receipt, or possession of FSP benefits.

480.3 Penalties

- A. Individuals disqualified for intentional program violations are ineligible to participate in the FSP for the following periods of time:
 - 1. One year for the first violation.
 - 2. Two years for the:
 - (a) Second violation, or
 - (b) First finding by a court of trading FSP benefits for illegal drugs.
 - 3. Permanently for the:
 - (a) Third violation,
 - (b) Second finding by a court of trading FSP benefits for illegal drugs, or
 - (c) First finding by a court of trading FSP benefits for firearms, ammunition, or explosives.
 - 4. An individual is permanently disqualified if convicted by a court of trafficking FSP benefits of \$500 or more.
 - 5. An individual is ineligible for FSP benefits for ten years if found by the courts or an Administrative Disqualification Hearing (ADH) to have made a fraudulent statement or representation about residence or identity in order to receive multiple FSP benefits at the same time.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 2

480.3 Penalties (continued)

- B. Impose the penalties described in 480.3 A above if the violation occurred after the individual signed a FSP application that described the penalties.
- C. Treat recurring acts of the same intentional program violation as one violation.
- D. Inform the household in writing of the disqualification penalties for committing an IPV each time it applies for benefits.

480.31 Additional Penalties – Non-IPV

- A. An individual is permanently ineligible if convicted after August 22, 1996 of any offense that is classified as a felony and which has an element of possession, use, or distribution of a controlled substance except as described in Section 100.7I.

NOTE: This means that an individual may be disqualified from participation for a conviction of a drug-related felony only if the crime was committed after August 22, 1996.

- B. Fleeing felons and parole and probation violators are ineligible for FSP benefit.

NOTE: Count the entire amount of the income and resources of a disqualified individual as available to other eligible household members.

480.4 Determination of the Commission of an IPV

Apply disqualification penalties only after there is a determination that the individual committed an IPV. The determination of an IPV is made as follows:

- A. The individual is found guilty of violating a Federal or state law concerning the FSP in a court of appropriate jurisdiction;
- B. The individual signs a *Disqualification Consent Agreement* (DHR/FIA FS-72);
- C. The individual is found to have committed an IPV in an Administrative Disqualification Hearing; or
- D. The individual signs a *Waiver of the Right to an Administrative Disqualification Hearing* (DHR/FIA FSP –112 or OIG - 7).

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 3

480.5 The Impact of Simplified Reporting on an IPV

- A. During the certification period households in FSP benefit simplified reporting have to report when their household income is more than 130 percent of the federal poverty rate (FSP benefit gross income limit). They must report all changes and new information at every FSP benefit recertification. Case managers must take action on any reported change.
- B. If the household receives another program, such as medical assistance or TCA, the household must follow the reporting requirements for that program. This does not mean that for FSP benefits the household has a reporting requirement other than simplified reporting. If the household fails to report an increase in income that does not exceed 130 percent of the poverty level, there is no overpayment or potential IPV for FSP benefits. There may be an overpayment or potential IPV for the other FSP benefit program.

Example: Mr. and Mrs. A and their children receive FSP benefits and TCA. Mr. A was working part time and provided proof of income at the last recertification. This income was used to calculate the TCA and FSP benefit. Mrs. A got a part time job after recertification. The household's income was still below the FSP benefit gross income limit. Although Mrs. A's new job was a reportable change for TCA, the household was not required to report the change for FSP benefits because of simplified reporting. The agency took action on the reported change for all programs. There would be no overpayment or potential fraud determination for FSP benefits. There may be for TCA because this was a reportable change for TCA.

480.6 Local Department Responsibility

- A. Each director of a local department will designate an individual in an administrative or supervisory position to review all overissuances where there are indications that an IPV has been committed. The director's designee will determine the following:
 1. The presence of clear indications that the violation was committed **with the intent** to obtain FSP benefits to which the households was not entitled;
 2. The presence of sufficient documentation to substantiate that an IPV was committed; and
 3. The potential acceptance by the local State's Attorney's Office of the case for prosecution.
- B. If the local department does not initiate administrative disqualification procedures or refer a case for prosecution of a suspected IPV, the local department must take action to collect the overissuance by establishing an inadvertent household error claim.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 4

480.7 Court Referrals and Decisions

The local department will:

- A. Confer with the State's Attorney to determine which cases are acceptable for prosecution.
- B. Disqualify a household member in accordance with a court order if the court imposes a disqualification period and specifies the date it begins.
- C. Impose the appropriate penalty and disqualify the individual within forty-five days of the court decision date if the court does not specify or address the disqualification period.

480.8 Administrative Hearings versus Court Referrals

- A. When the LDSS and/or OIG decides there is enough documentary evidence that an individual has committed an IPV, the LDSS:
 1. Must proceed against the person **either** through administrative hearing procedures, **or** by referring the matter to the local State's attorney for civil or criminal action in a court of law.
 2. Must decide which procedure, administrative or judicial, it believes appropriate for each case and pursue that procedure to its conclusion.
 3. Cannot offer an ADH waiver if it intends to refer the case for prosecution.
 4. Cannot threaten prosecution if the customer does not sign the waiver.

Example: Mr. A was suspected of failing to report a self-employment enterprise and was referred to OIG for investigation. Since the first application, he had reported only Mrs. A's earnings. The OIG investigator confirmed that Mr. A has had a lawn service and snow removal business since before the household was first certified 3 years ago. The LDSS and the OIG decided that there is enough evidence that the household had committed an IPV. They also decided, based on the evidence and large overpayment, to refer this case for prosecution in court. Mr. A would not be referred for an administrative disqualification hearing or offered a waiver of the ADH.

- B. When the LDSS or OIG offers an ADH waiver, there should have already been a determination that an administrative hearing is appropriate.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 5

480.8 Administrative Hearings versus Court Referrals (continued)

Example: Ms. B and her two children have received FSP benefits for the last three years. At her last recertification in June 2004, she again stated that her household included her two children. In May, the LDSS received an anonymous report that the oldest child had moved to North Carolina in December 2003 to live with his father. The OIG investigator verified that the child was living with his father and has been enrolled in school in North Carolina since January 2004. The OIG and the LDSS decides that Ms. B should be referred for an ADH. After this decision, the investigator offers Ms. B the opportunity to waive her right to an ADH by signing a DHR OIG 7. She did not sign it, so the LDSS refers the case for the disqualification hearing.

- C. To help household members make an informed decision about whether to waive the right to a hearing, the LDSS or OIG investigator must fully inform them of:
1. Their due process rights,
 2. The hearing procedures, and
 3. The consequences they face if found guilty of an IPV at a hearing.

480.9 Disqualification Consent Agreement

- A. The local department, in conjunction with the State's Attorney, may allow the accused individual to sign a *Disqualification Consent Agreement (DHR/FIA FSP-72)*, which averts any formal fraud adjudication.
- B. Do not disqualify an individual (unless a *Disqualification Consent Agreement* is signed by the individual) if the court renders a decision other than guilty (e.g. Stet, nol-pros, Probation before Judgement).

480.10 Advance Notice for a Disqualification Consent Agreement

The local department must provide the accused household member with advance written notification of the consequences of consenting to a disqualification. The notice must include the following information:

- A. A statement for the accused to sign signifying that the individual understands the consequences of consenting to disqualification, along with an explanation that the head of household must also sign the agreement if the accused is not the head of household.
- B. A statement that a consent to disqualification will result in disqualification and a reduction in FSP benefits during the disqualification, even though the individual has not been found guilty of a civil or criminal misrepresentation fraud.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 6

480.10 Advance Notice for a Disqualification Consent Agreement (continued)

- C. A listing of all the disqualification penalties and the one that will be imposed as a result of signing the disqualification agreement.
- D. A statement that unless the accused repays the claim by complying with an agreement with the prosecutor or the court the individual prosecuted for the IPV and any remaining adult household members are responsible for repayment of the claim.

480.11 Administrative Disqualification Hearings

The local department:

- A. May refer a case for an administrative disqualification hearing if the local State's Attorney decides that it does not warrant prosecution or does not meet the agreed upon criteria for a Disqualification Consent Agreement.
- B. May refer an individual for prosecution or initiate disqualification procedures regardless of the current eligibility of the individual.
- C. May not initiate an administrative disqualification hearing against an individual whose case is referred to the State's Attorney for prosecution, or subsequent to any action taken against the individual by a court of appropriate jurisdiction if the factual issues of the case arise out of the same circumstance.

480.12 Waiver of an Administrative Disqualification Hearing

- A. When the local department decides to refer an individual for an administrative disqualification hearing, the case manager will:
 1. Notify an individual (*Advance Notice of Administrative Hearing, DHR/FIA FSP-111*) of the intent to refer an individual for an administrative disqualification hearing.
 2. Include with the *DHR/FIA FSP-111, The Waiver of the Right to an Administrative Disqualification Hearing, DHR/FIA FSP-112 or OIG - 7*, for the individual to sign if he/she wishes to waive the right to a hearing. The notice and the waiver request must include the following information:
 - (a) A summary of the charge against the individual and the evidence to support it;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 7

480.12 Waiver of an Administrative Disqualification Hearing (continued)

- (b) A statement that the individual may waive the right to an administrative disqualification hearing;
 - (c) The date the signed waiver must be received by the local department to avoid referral for a hearing. (The waiver must be received no later than twenty days after the notice is sent to the household.);
 - (d) Notification of the requirement that the head of household must also sign the waiver if the individual accused is not the head of household;
 - (e) A statement that the individual has the right to remain silent concerning the charge and that anything said or signed by the individual concerning the charge may be used in any future administrative or judicial proceeding;
 - (f) A statement that signing the waiver will result in disqualification and a reduction or termination of benefits for the household;
 - (g) An opportunity to state whether the individual admits to the facts as presented by the local department;
 - (h) A statement that the disqualified individual and any remaining adult household members are responsible for repayment of any claim resulting from over-issued benefits;
 - (i) The name and telephone number of the person to contact for additional information;
 - (j) A summary of the individual's rights at the disqualification hearing; and
 - (k) A statement that the hearing does not preclude the State or federal government from prosecuting the person for the intentional program violation in a civil or criminal court.
3. Mail the Advance Notice and Waiver form to the individual together or present them to the individual in person. A proof of receipt is required.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 8

480.12 Waiver of an Administrative Disqualification Hearing (continued)

B. Use of ADH Waiver

1. Supervisory Review. Before sending advance notification to the household of the LDSS's intent to refer an individual for an ADH, someone other than the case manager must review the evidence against the household member and determine that the evidence warrants scheduling an ADH. This could be a supervisor or unit designated to make such decisions.
2. The LDSS and/or OIG, must:
 - (a) Decide if there is enough evidence to hold an ADH.
 - (b) Intend to hold an ADH prior to offering the individual an opportunity to sign an ADH waiver.
 - (c) Never offer an ADH waiver when there is a suspicion of guilt but the evidence is not convincing.
3. If the LDSS has enough evidence to hold a hearing and has offered the individual an opportunity to waive the hearing, the agency should schedule a hearing if the individual does not sign the waiver.
4. **It is important to inform the customer that the penalty is the same whether the individual chooses to have a hearing and is found guilty, or waives the hearing.** Customers who are unfamiliar with administrative hearings may confuse the ADH with a court proceeding. They may think that the consequence of a hearing is the same as a conviction in court. Individuals also may believe the waiver is a way of avoiding a more serious penalty they might be subject to were they to go ahead with the hearing.
5. Some individuals with a mental disability may lack the ability to form the intent necessary for establishing an IPV. Additionally, they may not fully understand the consequences of signing an ADH waiver. In these situations, the agency may choose to schedule an administrative hearing without offering a waiver. This will help protect the rights of the individual without raising the issue that the waiver was questionable.

- C. The signing of the *Waiver of the Right to an Administrative Disqualification Hearing, DHR/FIA FSP-112 or OIG - 7*, terminates the administrative process to establish an intentional program violation.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 9

480.12 Waiver of an Administrative Disqualification Hearing (continued)

- D. Any subsequent administrative hearing decision cannot change the disqualification penalty.
- E. The individual is entitled to seek judicial review of the disqualification.
- F. The individual may request an administrative hearing if there is disagreement with the amount of the over issuance.

480.13 Referral for a Disqualification Hearing

- A. If a signed waiver for the hearing is not received within twenty days of the notification to the individual of the local department's intent to pursue a hearing, refer the individual to the Office of Administrative Hearings (OAH), using the *Administrative Disqualification Hearing Referral Form, DHR/FIA FSP-113*.
- B. Make the referral within five working days after the twenty-day deadline.
- C. Include the following information in the referral:
 - 1. Identifying case information;
 - 2. A summary of the documentation supporting the IPV; and
 - 3. Copies of the documentation.
- D. Indicate if there is documentation that the individual referred for the disqualification hearing has been disqualified previously for an IPV or been convicted of FSP benefit fraud by a court.

480.14 Scheduling of Hearings

- A. OAH will send written notice to the individual and the local department at least thirty days in advance of the date the hearing is scheduled.
- B. OAH may combine a FSP benefit administrative hearing and a disqualification hearing into a single hearing if the factual issues arise out of the same circumstances and the household receives prior notice that the hearings are combined.
- C. If the hearings are combined to settle a claim and determine an IPV, the household loses its right to a subsequent administrative hearing on the amount of the claim.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 10

480.14 Scheduling of Hearings (continued)

- D. The individual is entitled to one postponement of the scheduled hearing, provided it makes the request before the hearing. The hearing may not be postponed more than thirty days.
- E. OAH will conduct the hearing, reach a decision and notify the household and the local department of the outcome within ninety days of the date the household is notified in writing of the scheduled hearing.

480.15 Pre-Hearing Procedures

- A. A pending disqualification hearing does not affect the individual's or the household's right to be certified and participate in the program.

NOTE: The local department will terminate or reduce the household's FSP benefits if it is determined that the household fails to request an administrative hearing and continuation of FSP benefits after the notice of the termination or reduction.

- B. The local department will make available to the individual or representative all documents and records used at the hearing.
- C. Prior to the hearing, the local department will make available to the individual or representative the contents of the case file, including the application forms and documents used to establish the household's eligibility and allotment.

NOTE: The local department may not release information that is confidential under State law, such as the names of individuals who have disclosed information about the household without its knowledge, or the nature or status of pending criminal prosecutions.

- D. If requested by the individual or representative, provide, free of charge, a copy of the portions of the case file relevant to the hearing.

480.16 Hearings Procedures

OAH may use the same administrative law judge (ALJ) for the disqualification hearing and administrative hearing. The ALJ will:

- A. Administer oaths or affirmations;
- B. Ensure that all relevant issues are considered;

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 11

480.16 Hearings Procedures (continued)

- C. Request, receive and make part of the record all evidence necessary to decide all the issues raised;
- D. Regulate the conduct and course of the hearing consistent with due process to ensure an orderly hearing;
- E. Order, where relevant and useful, an independent medical assessment or professional evaluation from a source mutually satisfactory to the household; and
- F. Render a decision in the name of the Family Investment Administration.

480.17 Hearing the Case

- A. At the hearing, the individual or representative will have the opportunity to:
 - 1. Present the case;
 - 2. Examine witnesses;
 - 3. Advance arguments without undue interference;
 - 4. Question or refute any testimony or evidence, including an opportunity to confront and cross-examine hostile witnesses; and
 - 5. Submit evidence to establish facts and circumstances in the case.
- B. The hearings examiner will advise the individual or representative of the right to remain silent concerning the charges.
- C. Confidential information that is protected from release and other documents or records that the household does not have the opportunity to contest or challenge cannot be introduced into the hearing record and cannot be used by the hearings examiner to make a decision.
- D. The local department has the burden of proving an intentional program violation by clear and convincing evidence.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 12

480.18 Failure to Appear (“No-Show”) Hearings

- A. OAH will conduct the hearing without the individual being present or represented if the individual or representative fails to appear at the hearing without good cause.

NOTE: Even though the individual is not present or is not represented, the hearing examiner will consider the evidence and determine if an IPV was committed.

- B. OAH will close the hearing record if the individual or representative does not notify OAH within ten days after a hearing that he or she had good cause for not attending the hearing.

480.19 Hearings Decision

- A. The hearing decision will be issued within ninety days from the date when the advance notice of the hearing was sent unless the ninety-day period was extended.
- B. Hearing decisions are based on the hearing record.
- C. A hearing decision will:
1. Summarize the facts of the case;
 2. Specify the reasons for the decision;
 3. Identify the supporting evidence and the pertinent Federal or State regulations; and
 4. Respond to reasoned arguments made by the household member or representative.
- D. The decision is part of the record.
- E. A hearing decision is binding on the local department.
- F. The individual and the local department are notified in writing of the decision.
- G. The household is notified of its right to a judicial review of the decision if it upholds the local department’s action.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 13

480.20 Application of Disqualification Penalties

- A. The local department will disqualify only the individual found to have committed the IPV and not the entire household.
- B. The disqualification period begins no later than the following:
1. Court Referrals
 - The date ordered by the court; or
 - Within forty-five days of the court decision if the court did not speak to the disqualification or its effective date.
 2. Disqualification Consent Agreement (DHR/FIA FS-72)
 - Within forty-five days of the date the individual signed the Disqualification Consent Agreement
 3. Administrative Disqualification Hearing
 - The beginning of the month that follows the date the household receives written notification of the hearing decision
 4. Waiver of the Right to an Administrative Disqualification Hearing
 - The beginning of the month that follows the date the household member receives written notification (*Notice to Disqualified Individual, DHR/FIA FSP-93*) of the disqualification.
- C. If the individual is ineligible for FSP benefits when the penalty is imposed, begin the penalty within the above time frames and continue it until the time elapses.

480.21 Notification of Disqualification

- A. The local department will provide written notification to the disqualified individual using the *Notice to Disqualified Individual, DHR/FIA FSP-93* or CARES letter.
- B. In cases involving an Administrative Disqualification Hearing or the individual's signing of the waiver of rights to such a hearing, provide the notification of disqualification to the individual prior to the disqualification.

Note: Even though the individual is disqualified, the household is responsible for repaying the amount of any overpayment.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
INTENTIONAL PROGRAM VIOLATION	Section 480	Page 14

480.21 Notification of Disqualification (continued)

C. Use the DHR/FIA 66-A to inform the household of the following:

1. Claim amount owed;
2. The reason for the claim;
3. The period of time the claim covers;
4. Any offsetting done;
5. Method of repayment;
6. The household's right to a administrative hearing if it disagrees with the amount of the claim unless the household had a administrative hearing on the claim as a result of the consolidation of the administrative disqualification hearing with the administrative hearing;
7. The household's right to request re-negotiation of any agreed upon repayment schedule should the household's circumstances change; and
8. Space for the household to indicate the method of re-payment and a signature block.

480.22 Reporting on Disqualified Individuals - Disqualified Recipient Report

- A. The e-DRS is a nationwide data base to which all states have access checking IPV penalties in other states.
- B. The local department must enter all disqualified recipients on the Electronic Disqualified Recipient System (e-DRS) within 30 days after the finding of an IPV or signing of the waiver of an administrative disqualification hearing.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 1

490.1 Purpose

This section describes the action a local department must take to establish, calculate and collect a claim, which is a federal debt, for an overpayment.

490.2 Establishing Claims Against a Household

A. A recipient claim is an amount owed because of Food Supplement Program (FSP) benefits that are:

1. Overpaid; or
2. Trafficked.

“Trafficking” means the buying or selling of FSP benefits for cash or consideration other than eligible food. It also includes the exchange of FSP benefits for firearms, ammunition, explosives or controlled substance.

B. The local department will establish a claim against any household that received more FSP benefits than it was entitled to receive. The following are responsible for repaying a claim:

1. Each person who was an adult member (age 18 or older) of a household when the overpayment or trafficking occurred, or
2. A person connected to the household, such as an authorized representative, who actually traffics or otherwise causes an overpayment or trafficking.

C. The establishment of a claim is accomplished by the completion of a Benefit Error Group (BEG) on the Client Automated Resource and Eligibility System (CARES).

490.3 Types of Overpayment Claims

There are three types of claims:

- A. Agency Error (AE) (also called administrative error) – An overpayment caused by a local department’s action or failure to take action. Instances that may result in an administrative error include the following:
1. The local department fails to take timely action on a change reported by the household;
 2. The local department computes the household’s income or deductions incorrectly, or issues an incorrect allotment; or

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 2

490.3 Overpayment Claim Categories (continued)

3. The local department continues to issue benefits to a household whose certification period expires without completing a re-determination.
- B. Customer Error (CE) (also called Inadvertent Household Error) - An overpayment caused by a misunderstanding or unintended error on the part of the household. Instances that may result in a customer error include the following:
1. The household unintentionally fails to provide the local department with correct or complete information; or
 2. The household unintentionally fails to report a change in its circumstances.
- C. Intentional Program Violation (IPV) (Fraud) - Is any claim for an overpayment or trafficking resulting from an IPV. A claim is handled as an IPV claim if one of the following occurs:
1. A court determines that a household member committed an IPV;
 2. It is determined at an administrative disqualification hearing that a household member has committed an IPV;
 3. A household member signs a waiver of his or her right to an administrative disqualification hearing; or
 4. A household member signs a disqualification consent agreement for suspected IPV referred for prosecution.

NOTE: For the purposes of initiating collection action, the local department may treat potential IPV claims as a CE claim **only if this action does not jeopardize the determination of an IPV.**

If this action jeopardizes the IPV process, establish the claim by completing the Benefit Error Group on CARES, but do not proceed with any collection action until the suspected IPV is resolved.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 3

490.4 Establishing a Claim

A. Definitions

1. The “date of discovery” is the date that the case manager has sufficient information to determine that an overpayment or trafficking offense occurred.
2. The “date of establishment” is the date that the initial demand letter is sent to the household.

B. The local department:

1. Will establish a claim against any household that received an overpayment:
 - (a) Back to at least twelve months prior to when you become aware of the CE or AE.
 - (b) Back to the month the act of the IPV first occurred. However, do not include any amounts that occurred more than six years before you became aware of the overpayment.
2. Will not establish a claim if the overpayment occurred because the local department failed to ensure that the household:
 - (a) Signed the application form;
 - (b) Registered for work; or
 - (c) Was certified in the correct project area.
3. Will not establish any **Customer Error (CE)** claim that is \$125 or less for any **non-participating** household unless:
 - (a) The claim was already established; or
 - (b) The overpayment was discovered in a quality control review.

NOTE: Local departments may opt out of applying the \$125 threshold. If a local department opts not to apply this limit on collecting claims, it must be agency-wide and not on a case-by-case basis.

4. Will not establish any **Agency Error (AE)** claim that is \$300 or less for any **non-participating** household unless:
 - (a) The claim was already established; or
 - (b) The overpayment was discovered in a quality control review.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 4

490.4 Establishing a Claim (continued)

NOTE: Local departments may opt out of applying the \$300 threshold. If a local department opts not to apply this limit on collecting claims, it must be agency-wide and not on a case-by-case basis.

5. Will establish all CE, AE and IPV claims for participating households.

490.5 Time Frame for Establishing a Claim

The local department must establish the claim before the last day of the quarter following the quarter in which the overpayment or trafficking was discovered.

Reminder: The date of discovery is the date that the case manager has sufficient information to determine that an overpayment or trafficking occurred.

Example: The agency identified the suspected overpayment in October. On December 13, all verification needed to calculate the overpayment was received (date of discovery). March 31 would be the last day for establishing the claim by sending a demand letter.

Reminder: You must establish a claim, even if you cannot establish it before the last day of the quarter following the quarter in which you discover the overpayment.

490.6 Calculating the Amount of a Claim – Claims not Related to Trafficking

Local departments will primarily use CARES to establish and calculate the amount of a claim against a household and will not establish and calculate the amount of a claim manually except to illustrate the calculation for an administrative hearing. It may be necessary to manually calculate a claim if it occurred more than 3 years prior to establishment. Refer to the Overpayment and Underpayment Desk Guide for a detailed description of how to establish a claim on CARES. The following is a description of the policy and procedure for calculating the amount of a claim against a household.

- A. Prior to calculating a claim attempt to obtain all of the pertinent verifications that document the household's circumstances for each month of the overpayment.
 1. When pay stubs or collateral verification are not available use the Maryland Automated Benefit System (MABS) to verify earnings. The first month that shows unreported earnings on MABS can not be an overpayment because of reporting and adverse action time.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 5

490.6 Calculating the Amount of a Claim – Claims not Related to Trafficking(continued)

2. The case manager may also contact “The Work Number” on line at www.theworknumber.com or by phone at 1-800-660-3399 to verify employment.
- B. Determine the correct amount of benefits for each month that a household received an overpayment.
 - C. Do not apply the earned income deduction to that part of any earned income that the household failed to report in a timely manner when this act is the basis for the claim. (See special procedure outlined in the Overpayment and Underpayment Desk Guide)

EXAMPLE: If a FSP household reports monthly earned income of \$500 when it actually received \$600, do not apply the earned income deduction to the \$100 in unreported earnings.
 - D. Subtract the correct amount of benefits from the benefits actually received.
 - E. The claim amount is the difference between the monthly allotment the household received and what it should have received for each month of the overpayment.
 - F. In CE and AE cases, do not include any amounts that occurred more than twelve months before you became aware of the overpayment.
 - G. For IPV claims calculate back to the month the IPV occurred but do not include any amounts that occurred more than six years from the month the claim was identified.
 - H. In cases involving reported changes, determine the first month the overpayment occurred as follows:
 1. If the household fails to report a change in its household circumstances within ten days of the date it becomes aware of the change, the first month affected will be the first month in which the change would have been effective had it been reported timely.
 2. If the household reports a change in a timely manner, but the local department did not act on the change within the required timeframes, the first month affected is the first month the change would have been effective had the agency acted timely. If a notice of adverse action is required but not provided, assume (for the purpose of calculating the

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 6

490.6 Calculating the Amount of a Claim – Claims not Related to Trafficking (continued)

claim) that the maximum advance notice period would have expired without the household requesting an administrative hearing.

NOTE: In no event is the first month in which the change is effective any later than two months from the month the change in the household's circumstances actually occurred.

- I. CARES will ensure that the eligibility policy and tables used in the claim calculation are correct for the period of time the claim covers.

EXAMPLE: An error began in April and was discovered in December. However, a mass change of the Thrifty Food Plan (TFP) allowance became effective in October. CARES will use the pre-October TFP table for one part of the claim calculation and the post-October TFP table for the remainder of the calculation.

NOTE: CARES will calculate a claim back for three years. When it is before the 3-year period, the case manager must complete a manual calculation.

- J. In calculating overpayment amounts, follow the appropriate policies described in section 490.12 when different types of errors (CE and AE) occur at the same time.
- K. When it is necessary to manually calculate the separate claim types, address each error as follows:
 1. Complete a separate set of calculations for each error by using the figures that were in effect for each month the error existed. Include the error element under examination in each calculation.
 2. Subtract the monthly issuance produced by each of these calculations from the amount the household actually received to obtain the specific overpayment amount for each error.

490.7 Trafficking Related Claims

Claims arising from trafficking-related offenses will be the value of the trafficked benefits as determined by:

- A. The person's admission,
- B. Adjudication, or
- C. The documentation that forms the basis for the trafficking determination.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 7

490.8 Initiating Collection Action

- A. Initiate collection action on all established CE and AE claims unless the claim is collected through offset of benefits not yet restored or from the household's EBT account.
- B. In cases of an IPV disqualification, initiate collection action against the disqualified individual's household unless the household already repaid the overpayment.

NOTE: The local department will request that the matter of restitution is brought before the court or Administrative Disqualification Hearing, or addressed in any agreement between the prosecutor and the accused individual.

- C. Collection action will begin when the system generated notice 18 is initiated.
- D. Initiate collection action for an unpaid or partially paid CE or AE claim by completing a Benefit Error Group (BEG) and creating a repayment plan on CARES.

490.9 Failure to Respond to a Demand Letter

- A. For participating CE and AE households CARES will reduce the household's allotment by the amount prescribed in section 490.11A of this manual. Participating households can request to repay in a lump sum or installments as long as the amount agreed upon is greater than the recoupment amount.
- B. Non-participating households have thirty days to respond to the first demand letter. If there is no response, CARES will send two additional demand letters thirty days apart. If the household does not respond by paying or agreeing to repay the claim, it is referred to the Central Collection Unit.

490.10 Acceptable Forms of Payment

The State may collect a claim by:

- A. Reducing benefits prior to issuance. This includes allotment reduction and offsets to restored benefits.
- B. Reducing benefits after issuance. These are benefits from the household's EBT account.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 8

490.10 Acceptable Forms of Payment (continued)

- C. Accepting cash or any of its generally acceptable equivalents. These equivalents include check, or money order. It also includes credit or debit cards if the agency has the capability to accept these payments.
- D. Conducting our own offsets and intercepts. When a delinquent overpayment is referred to the Central Collection Unit, they use various method to collect these claims such as the Treasury Offset Program.
- E. Requiring a household to perform community service. This form of payment must be ordered by a court and specifically be in lieu of paying any claim.

490.11 Methods of Collecting Payment

The local department may collect payments for claims against households in any of the following ways:

A. Reduction in the FSP Allotment

The local department must:	Unless:
1. Automatically collect claims by reducing the amount of the monthly benefits the household receives.	The claim is being collected at regular intervals at a higher amount.
2. For an IPV claim, limit the amount reduced to the greater of \$20 per month or 20% of the household's monthly allotment.	The household agrees to a higher amount.
3. For an CE or AE claim, limit the amount reduced to the greater of \$10 per month or 10% of the household's monthly allotment.	The household agrees to a higher amount.
4. Not reduce the initial allotment when the household is first certified.	The household agrees to this reduction.
5. Not use additional involuntary collection methods against individuals in a household that is already having its benefits reduced.	The additional payment is voluntary, or the source of the payment is irregular and unexpected such as a State tax refund or lottery winnings offset.

NOTE: When establishing a plan on CARES to collect payment, indicate "EC" (eligibility computation) on the PLAN screen, in the payment source field and the system will calculate the correct percentage of the allotment to be recouped each month.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 9

490.11 Methods of Collecting Payment (continued)

B. Benefits from EBT accounts.

The local department must permit households to pay claims using benefits from its EBT account.

1. For collecting from active or reactivated EBT benefits....	
The local department... needs written permission, which may be obtained in advance and done according to #4 below.	Or... oral permission for one time reductions with the local department sending the household a receipt of the transaction within 10 days.
2. For collecting from stale EBT benefits...	
The local department... must mail or otherwise deliver to the household written notification that it intends to apply benefits to the outstanding claim.	And... Give the household at least 10 days to notify you that it does not want to use these benefits to repay the claim.
3. For making an adjustment with expunged EBT benefits	
The local department... must adjust the amount of a claim by subtracting any expunged amount from the EBT account if you are aware of it.	And... This can be done anytime.

4. At a minimum, any written agreement with the household to collect a claim using active EBT benefits must include:

- (a) The statement that this is voluntary;
- (b) The amount of the payment;
- (c) The frequency of the payments (i.e. monthly or one-time only);
- (d) The length, if any, of the agreement; and
- (e) A statement that the household may revoke the agreement at any time.

C. Lump Sum

1. The entire claim is paid.
2. A portion of the claim is paid.

NOTE: In neither case (1 or 2 above) is the household required to liquidate all of its resources in order to make payment.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 10

490.11 Methods of Collecting Payment (continued)

D. Installments

1. The household may choose a negotiated monthly payment schedule to repay any claim balance.
2. For active cases the negotiated payment amount may not be less than the amount that may be recovered through allotment reduction as described in section 490.11 A.
2. The household may use its Electronic Benefit Transfer (EBT) account to make full or partial payment of any monthly installment.
3. Inform households choosing either method of repayment (lump sum or installments) to submit all payments to the fiscal office.

- E. Public Service. If authorized by a court, the household may pay the value of a claim by performing public service.

490.12 Collection of Multiple Claims

- A. If a household has multiple claims against it, the type of claim determines the monthly re-payment amounts.
- B. CARES recovers claims of the same type sequentially applying the appropriate monthly rate. (The completion of a plan and proper BEG status on CARES determines the correct recoupment percentage.)
- C. CARES collects claims against households hierarchically according to which claim was established first.

Example: AE is opened first. Then a CE is established. CARES will finish collecting on the AE before collection begins on the CE.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 11

490.13 Failure to Comply with a Payment Schedule and Determining Delinquency

A. When a nonparticipating AE, CE or IPV household fails to make a payment in accordance with the repayment schedule CARES will initiate Notice 43 Repayment Agreement.

B. A claim is delinquent when:

1. The claim has not been paid by the due date and the household has not made a satisfactory payment agreement.

Note: The date of delinquency is 30 days from the date of the initial demand letter. Once established, the initial due date does not change, even if participation in FSP ends or payment plans are established after the date in the initial demand letter.

2. A payment arrangement has been established and a scheduled payment has not been made by the due date.

Note: The date of delinquency is the due date of the missed payment. The claim will remain delinquent until the payment is received in full, allotment reduction is invoked, or the local department decides to either resume or re-negotiate the repayment schedule.

3. A customer fails to make a payment on a monthly basis in the amount specified in the repayment agreement, the debt is delinquent.

For Example:

Ms. January agreed to pay \$50 on the 10th of every month; in April she sends in \$100, but no payment in May. The date of Delinquency is May 10th
Mr. Joseph agreed to pay \$100 on the 15th of every month. In June he sends in \$50. The date of Delinquency is June 15th

C. A claim is not delinquent if another claim for the same household is being paid through an installment plan or recoupment.

D. A claim is not subject to the requirements for delinquent debts if the local department is unable to determine the delinquency status because collection is coordinated through the courts.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 12

490.14 Administrative Hearings and Claims

- A. A claim awaiting an administrative hearing is not considered delinquent.
- B. If the hearings official determines that a claim does, in fact, exist against the household, the local department must re-notify the household of the claim. Delinquency is based on this subsequent notice.
- C. If the hearing official determines that a claim does not exist, the claim is terminated and written off.

490.15 Criteria for Terminating Collection Action

Terminate any claim for a **non-participating household** if it meets **any** of the following criteria:

- A. Any claim found to be invalid in an administrative hearing, administrative disqualification hearing or court determination.
- B. Any claim in which all adult household members are deceased and the local department does not plan to pursue collection from the estate.
- C. Any delinquent claim that has \$25 or less remaining on the claim.
- D. Any claim that is delinquent for 3 years unless there are plans to pursue the claim through the Federal Offset Program. These cases would have been referred to the Central Collection Unit. CCU may refer these cases for collection through the Treasury Offset Program (TOP).
- E. The household cannot be located.

490.16 Household Repayment Responsibility

- A. The local department will initiate collection action against the household that received the overissuance.
- B. If a change in household membership occurs, initiate collection action against any household that contains a member who was an adult member of the household that received the overissuance.
- C. All adult members of a household that received an overissuance are jointly and severally liable for the repayment of the overissuance.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 13

490.17 Claim Compromise

If the full or remaining amount of any claim cannot be liquidated in three years, the local department may compromise the claim by reducing it to the amount that allows the household to make restitution within three years.

Example: Mr. B has a \$1,000 claim because the agency did not act on reported information in calculating his benefits. His only income is his Social Security retirement benefit. He can barely pay all of his living expenses with his income. He said he can afford \$10 a month to repay his FSP claim. The agency multiplies his \$10 by 36 months or \$360 and compromise the remainder of the claim.

490.18 Re-applicants and Unpaid Claims

A. Re-applicants in the Same Jurisdiction

1. When a household re-applies in the jurisdiction, clear the case at the time of application with the unit within the local department (finance, overpayment, etc.) that has record of all claims that are unpaid but not terminated. Use the same assistance unit number that CARES assigned to the household initially.
2. If the case had been referred to the State Central Collection Unit (CCU) at the point of the previous closure, inform CCU of the re-opening of the case, according to the Overpayment and Underpayment Desk Guide.

B. Application in a Different Jurisdiction

1. Question applicants who disclose that the household received Food Supplement Program (FSP) benefits in another jurisdiction about the existence of any unpaid claim.
2. Review CARES to determine if an unpaid claim exists.
3. If a pre-CARES claim exists, request the following from the local department through which the household received FSP benefits:
 - (a) Records of claim payments;
 - (b) CCU referral forms, if any, and
 - (c) Disqualification material and copies of any repayment demand letters.

C. Re-initiating Collection Action at Application

In the case of a re-application with an unpaid claim, resume collection action at the point the collection process reached prior to the previous closure.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
CLAIMS AGAINST HOUSEHOLDS	Section 490	Page 14

490.19 Central Collection Unit (CCU)

- A. Central Collection is a unit within the Department of Budget and Management. It is the organization responsible for pursuing the payment of debts owed the State of Maryland.
- B. Once a case is assigned to CCU, CCU controls it. Do not change the case status, debt balance, etc. without notifying CCU.
- C. Refer all delinquent claims to CCU according to the Overpayment and Underpayment Desk Guide.

490.20 Refunds of Overpaid Claims

If a household overpays a claim, the local department will repay the household any amount overpaid as soon as possible.

490.21 Claims Discharged Through Bankruptcy

The local department will act on behalf of the Food and Nutrition Service (FNS) in any bankruptcy proceeding against bankrupt households owing a FSP benefit claim.

490.22 Interstate Claims Collection

- A. When a household moves out of Maryland, we are still responsible for initiating or continuing collection action for any overpayment, unless the claim is transferred to the other state
- B. The local department may accept a claim from another state if the household with the claim moves to Maryland. Once the local department accepts this responsibility, the claim is ours for future collection and reporting.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 1

ABLE-BODIED ADULT WITHOUT DEPENDENTS (ABAWD) – Able-bodied recipients age 18-47 with no dependents who are eligible for Food Supplement Program (FSP) benefits for only 3 months in a 36-month period unless they meet certain work requirements.

ACCESS DEVICE- The method by which the customers access their cash and FSP benefits. Customers utilize a Point of Sale (POS) machine in designated commercial sites though Electronic Benefits Transfer (EBT) to access FSP benefits and POS or Automated Teller Machines (ATM) to access cash benefits.

ALLOTMENT – The total value of FSP benefits a household is authorized to receive.

ANTICIPATED EXPENSES – Expenses that a household expects to incur within a certain time period.

APPEAL – An applicant or recipient's legal right to challenge any local department action that affects the household's benefits.

APPELLANT – The applicant or recipient who has requested a hearing.

APPLICANT – An individual who has submitted a signed application form requesting FSP benefits, but FSP benefits have not been authorized.

APPLICANT HOUSEHOLD – An individual or group of persons who have submitted a signed application form requesting FSP benefits, but FSP benefits have not been authorized.

APPLICATION – See Identifiable Application.

APPLICATION FILING DATE – The date on which an application is received in the correct local department.

APPLICATION INTERVIEW – A personal contact between an applicant or an authorized representative and a case manager for the purpose of establishing eligibility.

APPLICATION MONTH – The calendar month in which an application is received in the correct local department.

ASVI- (Alien Status Verification Index)- The data based that is accessed through the Systematic Alien Verification for Entitlement Program (SAVE) for verifying the validity of alien immigration documentation.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 2

ATTENDANT – A person who provides medical, housekeeping, childcare, or similar service to a household. If the attendant resides with the household, he is a live-in attendant.

AUTHORIZED REPRESENTATIVE (AR) –

- A person designated in writing by a responsible member of the household to act on behalf of a household in applying for FSP benefits and/or accessing FSP benefits; or
- An employee of and selected by a publicly operated community mental health center or a private, non-profit organization or institution operating a drug addiction or alcohol treatment and rehabilitation center. The person acts for a resident who wants to apply and participate in the Food Supplement Program.
- The authorized representative is an adult who is sufficiently aware of relevant household circumstances.

BENEFICIARY AND EARNINGS DATA EXCHANGE (BENDEX) – A computer match which identifies TCA and FSP benefit recipients who are receiving Social Security benefits, private pensions, wages from out-of-state employment, veterans and other government benefits, and those who are self-employed.

BOARDER – A person or group of people residing with the household and making a reasonable payment for meals and lodging.

CAPITAL ASSETS – Real property, equipment, machinery and other items expected to last at least twelve months.

CAPITAL GAIN – The profit from the sale or transfer of capital assets.

CATEGORICALLY ELIGIBLE HOUSEHOLD - A household considered eligible for FSP benefits because all members receive or are authorized to receive TCA, TDAP, PAA or SSI or TANF benefits.

CENTRAL COLLECTION UNIT (CCU) – The unit within the Department of Budget and Management responsible for pursuing the payment of debts owed to the State of Maryland.

CERTIFICATION – The process by which the local department determines eligibility for FSP benefits and authorizes FSP benefits.

CERTIFICATION PERIOD – A specified period of time for which the household is determined eligible to receive FSP benefits.

CHILD – As a mandatory household member:

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 3

- a natural, adopted, or stepchild 21 years of age or younger; or
- any person age 17 or younger and under the parental control of an adult household member.

For exclusion of income – A person age 17 or younger, a student at least halftime, and under the parental control of another household member.

CLIENT’S AUTOMATED RESOURCE AND ELIGIBILITY SYSTEM (CARES) – An automated database that determines client eligibility, collects benefit history, and issues FSP benefits and reports.

CLIENT INFORMATION SYSTEM (CIS) – The system designed to support CARES, Child Support (CSES) and Social Services activities for the State.

CODE OF FEDERAL REGULATIONS (CFR) – A compilation of federal regulations for the administration of federal or federally-funded programs such as the Food Supplement Program.

COLLATERAL CONTACT – An oral confirmation of household information by a person outside the household.

COLLECTION – The repayment of an overissuance by a lump sum payment, installment payments, or through recoupment.

COMMERCIAL BOARDING HOUSE – An establishment that is licensed as a commercial enterprise and which offers meals and lodging for compensation. In areas without a licensing requirement, a boarding house is a commercial establishment that offers meals and lodging for compensation with the intent of making a profit. The number of boarders does not affect commercial status.

COMMUNAL DINING FACILITY – A public or non-profit private establishment approved by FNS that prepares and serves meals for elderly persons, or for Supplemental Security Income (SSI) recipients and their spouses. It also includes senior citizens centers, apartment buildings occupied primarily by elderly persons or SSI recipients and their spouses, public or private non-profit establishments (eating or otherwise) that feed elderly persons or SSI recipients and their spouses, and federally subsidized residents. It also includes private establishments that contract with the state to offer meals at concessional prices to elderly or SSI recipients, and their spouses.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 4

COMMUNITY WORK EXPERIENCE PROGRAM (CWEP) – component of the Employment and Training Program sponsored by a unit of federal, state, or local government which provides recipients with work experience in the public sector.

CONTINUATION OF BENEFITS – The authorization of the allotment in an unchanged amount if the household appeals within 10 calendar days of the date of the adverse action notice.

CONVERSION – A method of calculating monthly amounts when weekly or biweekly amounts are known. The calculation is done by multiplying weekly income by 4 or biweekly amounts by 2.

COST OF LIVING ADJUSTMENT (COLA) – An annual adjustment to a federal benefit to enable the beneficiary to keep pace with the changing economy. The amount is determined in relation to the cost of living index.

COUNTABLE INCOME – Income that is not exempt or excluded.

CUSTOMER NOTICE – A series of forms which provide the customer with information about case activity.

DATE OF ENTRY/ADMISSION – The date established by the Immigration and Naturalization Service as the date an immigrant was admitted into the U.S.

DEEMED INCOME/DEEMED RESOURCES – The income and resources of ineligible household members and sponsors of immigrants and the sponsor's spouse counted when determining the eligibility and FSP benefit amount of eligible household members.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) – The federal agency which among other things has responsibility for providing assistance in rent, mortgage, and utility payments.

DEPARTMENT OF HUMAN RESOURCES (DHR) – The State agency designated by FNS to administer the Food Supplement Program.

DEPENDENT CARE DEDUCTION – An income deduction equal to the actual dollar cost of dependent care, up to a maximum limit.

DEPRECIATION – The lowering of the value of equipment, property, etc. for tax purposes.

DISABLED – See Section 109.4, Other Special Households, for disability as related to separate household status and inability to prepare meals.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 5

DISQUALIFIED HOUSEHOLD MEMBER – A household member who is not permitted to participate in the Food Supplement Program because the person:

- Has committed an intentional program violation;
- Has failed to obtain or provide an SSN;
- Has not complied with work requirements;
- Has voluntarily quit employment;
- Has refused to cooperate with Quality Control; or
- Has knowingly transferred resources to qualify or attempt to qualify for FSP benefits.
- Has been convicted of a felony offense that occurred after 8/22/96 that has an element of possession, use or distribution of a controlled substance; or
- Is a fleeing felon or parole violator.

DOCUMENTATION – The written proof from a third party used to verify the statements made by the household. However, in some instances, documentation may be collected verbally or as a result of collateral documentation.

DOCUMENTARY EVIDENCE – The primary source of verification for all items except residence and household size.

DRUG OR ALCOHOL TREATMENT AND REHABILITATION PROGRAM – Any drug addiction or alcohol treatment and rehabilitation program conducted by a private, non-profit organization or institution, or a publicly operated community mental health center, under Part B of Title XIX of the Public Health Service Act. Under Part B of Title XIX of the Public Health Service Act is defined as meeting the criteria which would make it eligible to receive funds, even if it does not actually receive funding.

DRUG OR ALCOHOL TREATMENT CENTER – A residential facility that provides rehabilitative treatment to individuals participating in a drug or alcohol treatment program.

EARNED INCOME – Income received in exchange for services rendered, including wages, salaries, earnings from self-employment, training allowances, striker's earned income, and payments made under Title I of the Domestic Volunteer Service Act of 1973.

EARNED INCOME DEDUCTION – A specific percentage subtracted from countable gross earned income to cover expenses associated with employment.

EARNED INCOME TAX CREDIT (EITC) – Money paid by the federal or State government to certain employed individuals who are responsible for the care of a child and whose earnings are less than federal standards.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 6

EDUCATIONAL GRANTS – Monies received by students to help meet the costs of educational expenses, such as, but not limited to, scholarships, fellowships, deferred payment loans, and educational veterans benefits.

EDUCATIONAL INSTITUTION – A kindergarten or preschool, grade school, high school, vocational school, college, technical school, or university.

ELDERLY – Age 60 or older.

ELECTRONIC BENEFIT TRANSFER SYSTEM (EBTS) – The system used to issue cash and FSP benefits electronically through automated teller machine and Point-of-Sale machines located in participating grocers and retail stores. Individuals access benefits using a plastic card called an Independence Card.

ELIGIBLE FOODS – Items that may be purchased with food coupons. Any food product intended for human consumption except alcoholic beverages, tobacco, hot foods, and hot foods prepared for immediate consumption.

Households may purchase the following foods in place of food from a store that they prepare themselves such as:

- A. Seeds to plant food for personal consumption,
- B. Meals prepared by delivery programs such as Meals on Wheels, or food consumed in an approved communal dining facility for the elderly or disabled,
- C. Meals prepared by drug addiction or alcohol treatment facilities or food prepared in a rehabilitation center for drug addicts or alcoholics who have their children living with them,
- D. Meals prepared and served in an approved group living arrangement for the blind or disabled,
- E. Meals prepared and served by a shelter for battered women and children
- F. Authorized public or private nonprofit soup kitchens that feed the homeless,
- G. Meals prepared in specific restaurants that have contracted with the state to provide low or reduced price meals to the homeless.
- H. In specific remote areas of Alaska, some eligible households are permitted to purchase hunting and fishing equipment such as (hooks, fishing rods, lines, nets, harpoons, knives and other equipment necessary for subsistence hunting or fishing. Households may not purchase clothing, transportation, firearms or ammunition or other explosives.).

EMPLOYMENT AND TRAINING MANDATORY PARTICIPANT – An applicant or recipient who is required to register for work, and who the LDSS determines should not be exempted from participation in an Employment and Training program.

FOOD SUPPLEMENT PROGRAM EMPLOYMENT AND TRAINING (FSET) – A program operated in the local departments with guidance from DHR central consisting of one or more direct work, work training, education, or job search components designed to help recipients move into unsubsidized employment.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 7

ENCUMBRANCE – A claim or lien against property owned.

ENUMERATION – The process of verifying a person's Social Security number by requiring him to provide or apply for an SSN as a condition of eligibility.

EQUITY VALUE – The fair market value of a resource, less encumbrances (money owed).

EXCESS MEDICAL DEDUCTION – A deduction from a household's total gross income given when a disabled or elderly household member has medical expenses in excess of a specified monthly amount.

EXCESS SHELTER COST – A household's monthly shelter expenses in excess of 50 percent of the household's monthly income after all other allowable deductions. The household's shelter deduction is this excess up to an established maximum limit as described in Section 600.

EXCLUDED INCOME – Income that does not have to be evaluated when determining eligibility and the allotment level for the Food Supplement Program.

EXCLUDED RESOURCES – Resources that do not have to be evaluated when determining eligibility for the Food Supplement Program.

EXEMPTED FOR PURPOSE OF WORK REQUIREMENTS

- A person not required to register for employment; or
- A person not required to participate in an employment/training program.

EXPEDITED SERVICE – The method by which a FSP benefit application is processed to ensure receipt of FSP benefits no later than the seventh calendar day following the date an identifiable application is received.

FAIR HEARING/ADMINISTRATIVE HEARING – An orderly but informal meeting conducted by an Administrative Law Judge (ALJ) from the Office of Administrative Hearings to provide the household an impartial, objective review of LDSS decisions, actions, or delays. The hearing may be face-to-face or by telephone.

FAIR MARKET VALUE – The amount the resource would bring if sold on the current local market.

FAMILY INVESTMENT ADMINISTRATION (FIA) – The office within the Department of Human Resources (DHR) that administers the Food Supplement Program.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 8

FEDERALLY SUBSIDIZED HOUSING FOR THE ELDERLY – Commercially operated apartments built under either Section 202 of the Housing Act of 1959, or Section 236 of the National Housing Act, and built specifically for the elderly.

FILING DATE – See Application Filing Date.

FOOD AND NUTRITION SERVICE (FNS) – The branch of the US Department of Agriculture (USDA) that administers the federal Supplemental Nutrition Assistance Program (SNAP) which in Maryland is called the Food Supplement Program.

GROSS INCOME – A household's total countable income before deductions.

GROSS INCOME ELIGIBILITY STANDARD – The limit of gross income a household may have, based on 130% of the Federal income poverty level. The limit does not apply to households containing an elderly or disabled member, or to categorically eligible households.

GROUP LIVING ARRANGEMENT (GLA) – A public or private non-profit facility in a residential setting that serves no more than 16 residents. The residents of such a group living arrangement must be blind or disabled and receiving benefits under Title 11 of Title XVI of the Social Security Act to be eligible for FSP benefits.

HEAD OF HOUSEHOLD – A member of the household selected by the household to file an application on behalf of the household.

HEARING REQUEST – Any oral or written request by the household, or a person acting for the household, exercising its right to have a fair hearing on any action that the household is in disagreement with the local department's handling.

HEATING COSTS – A verifiable cost for heating, which is billed separately from the household's rent or mortgage payment. Residents of rental housing who are billed on a monthly basis by their landlords for actual usage as determined through individual metering are considered to have heating costs.

HOMELESS INDIVIDUAL – A person who lacks a fixed and regular nighttime residence or a person whose primary nighttime residence is a:

- Supervised shelter that provides temporary accommodations such as a welfare hotel or congregate shelter;
- Halfway house or similar institution that provides temporary accommodations for people intended to be institutionalized;
- Temporary accommodation in the residence of another person for no more than 90 days; or

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 9

- Place not designed for, or ordinarily used as regular sleeping accommodations such as a hallway, a bus station, a lobby, a car, an abandoned building or any similar place.

HOMELESS MEAL PROVIDER – A public or private non-profit establishment, such as a soup kitchen or temporary shelter, which feeds homeless people. DHR must approve the provider.

HOUSEHOLD – A person or group of people applying for or receiving FSP benefits.

HOUSEHOLD DISASTER – A natural event such as a flood or a tornado; or a devastating event, such as a fire, causing food loss. A mechanical breakdown such as a power outage or a refrigerator breakdown is not considered a disaster.

IDENTIFIABLE APPLICATION – A FSP benefit application form containing:

- The name and address of the applicant; and
- The signature of a responsible member of the household or an authorized representative.

IMMIGRANT – An alien who has been granted permanent residency status by Immigration and Naturalization (INS).

IMMIGRATION AND NATURALIZATION SERVICE (INS) – The federal agency in the Department of Justice that is responsible for the administration and enforcement of the US immigration laws.

INADVERTENT HOUSEHOLD ERROR (IHE) – A household's misunderstanding or unintentional error which includes:

- Failure to provide correct or complete information;
- Failure to report changes; or
- Receipt of FSP benefits, or more FSP benefits than the household was entitled to receive (if the household requests a hearing, the determination by the local department of an overissuance of FSP benefits caused by an IHE would be pending a hearing decision in favor of the LDSS.)

INCOME – The money a household receives from any source.

INCOME ELIGIBILITY VERIFICATION SYSTEM (IEVS) – A system from which the local department may obtain information from various sources (Social Security, unemployment, Internal Revenue) for purposes of income eligibility verification.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 10

INCOME EXCLUSIONS – Income from certain sources which is not counted when determining a household's eligibility.

INCOME, IN-KIND – Any gain or benefit payable to the household which is not in the form of money, such as, but not limited to, meals, clothing, public housing, or produce from a garden.

INELIGIBLE IMMIGRANT – A person who does not meet or cannot document the citizenship or lawful permanent residence status requirements of the Food Supplement Program.

INELIGIBLE FOODS – Items that customers may not purchase with FSP benefits. (See Eligible Foods in this glossary). Ineligible foods include:

- Alcoholic beverages
- Tobacco or cigarettes
- Household supplies, soap, and paper products
- Medicine or vitamins
- Any other nonfood items
- Food that will be eaten in the store
- Hot foods that are ready to eat unless bought from an authorized homeless meal provider
- Pet food

INELIGIBLE MEMBER – A household member who is ineligible to receive FSP benefits under specific provisions of the Food Supplement Program Act, and others who become ineligible for failure or refusal to comply with a program requirement. Examples of ineligible household members are persons who are ineligible immigrants, those disqualified for intentional program violation (IPV), or failure to obtain a Social Security number.

INFREQUENT INCOME – See Irregular Income.

INITIAL CERTIFICATION PERIOD – The first period of time for which FSP benefits are authorized.

INITIAL MONTH – The first month of certification for participation in the Food Supplement Program following any period during which the household was not certified for participation.

INQUIRY – A face-to-face, written, or telephone request for information only, not assistance.

INSTALLMENT – A scheduled amount paid monthly by a household to repay an overissuance. The household may use FSP benefits as full or partial payment.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 11

INSTITUTION – A facility which prepares and serves at least half (over 50% of three meals daily) of residents' meals as part of its service and has not been authorized to accept FSP benefits.

INSTITUTION OF POST SECONDARY EDUCATION – Any public or private institution which normally requires a high school diploma or equivalency certificate for enrollment, or admits persons beyond the age of compulsory school attendance. This includes, but is not limited to colleges, universities, and vocational or technical schools at the post high school level. The institution must be legally authorized or recognized by the State to provide education beyond the secondary level or provide a training program to prepare students for gainful employment.

INTENTIONAL PROGRAM VIOLATION (IPV) – Household fraud as determined by a court or Administrative Disqualification Hearing (ADH) or the household signing an Administrative Disqualification Hearing Waiver. The household action allowed the household to obtain or attempt to obtain FSP benefits to which the household was not entitled. The action includes:

- Making a false or misleading statement;
- Misrepresenting, concealing, or withholding facts; or
- Violating the Food Supplement Program Act, Food Supplement Program regulations, or any state/federal law relating to the use, presentation, transfer, acquisition, receipt, possession of FSP benefits.

IRREGULAR INCOME – Monies received by the household that cannot be readily predicted and are not in excess of \$30 total in a quarter. This would include, but is not limited to:

- monies received from odd jobs when the household can not predict the frequency of work or receipt of payment,
- prizes;
- gifts; and
- awards.

ISSUANCE DATE – The day of the month the FSP allotment is received by a participating household.

ISSUANCE MONTH – The calendar month in which an allotment is issued.

JOINT PROCESSING – A provision allowing households in which all members are applying for Supplemental Security Income (SSI) to file an application for FSP at the Social Security Administration (SSA) office at the same time. The provision also allows the filing of one application for cash assistance (TCA) or TDAP) and FSP benefit in the local department.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 12

LICENSED VEHICLE – A passenger car, truck, motorcycle, or other motor vehicle that can be used to transport persons or goods, and is of a type currently licensed and permitted on highways. Currently **all** vehicles **are excluded** from consideration when determining FSP eligibility.

LIMITED UTILITY ALLOWANCE (LUA) – A utility allowance for households that are billed for electricity but not heat or cooling separately from their rent or mortgage payment.

LIQUID RESOURCES – Cash-on-hand or other resources that the customer can readily convert to cash, such as checking and savings accounts, savings certificates, and US Savings Bonds.

LOCAL DEPARTMENT OF SOCIAL SERVICES (LDSS) – The office in Baltimore City and each county in the State that administers the FSP.

LOCKOUT – A work stoppage created by an employer who closes his workplace in order to resist the demands of his employees.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) – A federally funded program which helps low-income households meet their home heating needs. In Maryland, the funds are administered through the Maryland Energy Assistance Program (MEAP).

LUMP SUM PAYMENT (OVERISSUANCE) – The full or partial repayment of an overissuance in one payment. A household may use coupons as full or partial payment.

LUMP SUM PAYMENT – A single non-recurring amount of money received by the household. Money received from but not limited to: income tax refunds, rebates or credits; retroactive single occurring Social Security, SSI, Public Assistance, Railroad Retirement Pension, or other payments; or retroactive single occurring settlements or refunds or security deposits on rented property or utilities.

MAILING ADDRESS – The address of a household, a friend or relative, a post office box, a social service agency, or any address where the household may expect to receive mail without threat of its being lost or stolen.

MANDATORY HOUSEHOLD MEMBERS – People who live together and who must be included in the same household regardless of how they actually purchase food and prepare meals.

MARYLAND ENERGY ASSISTANCE PROGRAM (MEAP) – A State program funded through LIHEAP that helps low income households meet their home heating needs.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 13

MASS CHANGE – A State or federal program or FSP benefit change affecting the entire caseload or part of the caseload.

MAXIMUM ALLOWABLE RESOURCES – The limit of total non-excluded resources, both liquid and non-liquid, that a household may have. The value of non-excluded resources of all members of the household, and resources deemed from persons disqualified for intentional program violation or failure to provide an SSN and from ineligible aliens, may not exceed \$2,000. If the household contains at least one member who is age 60 or over or disabled, the resources may not exceed \$3,000. Resources are also called assets.

MEDICAID – Medical assistance under Title XIX of the Social Security Act, as amended.

MEAL DELIVERY SERVICE – A political subdivision, private non-profit organization, or private establishment which has contracted with DHR to prepare and deliver meals at concessional prices to elderly persons and their spouses, and to physically or mentally handicapped or disabled persons and their spouses.

MEANS TESTED PROGRAM – A program with eligibility conditions which limit FSP benefits to persons who meet income and/or resource limits.

MIGRANT OR SEASONAL FARMWORKER – An individual who travels away from home on a regular basis with a group of laborers to seek employment in an agriculturally related activity. A migrant household is a household that travels for this purpose.

MINOR – A child under the age of 18.

MULTIPLE FSP HOUSEHOLD – Two or more related or unrelated groups of people who live in the same dwelling but purchase and prepare meals separately, and who are eligible to receive FSP benefits as separate households.

NON-HOUSEHOLD MEMBER – A person who lives with the FSP benefit household but is not included in that household when determining eligibility for benefits such as students.

NON-LIQUID RESOURCES/ASSETS – Resources which are not readily convertible into cash such as non-resident property or vehicles.

NON-PUBLIC ASSISTANCE (NPA) FSP HOUSEHOLD – A household which contains at least one member who does **NOT** receive Public Assistance or SSI benefits.

NON-RECURRING PAYMENT – See Lump Sum Payment.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 14

NON-RESIDENT REAL PROPERTY – Land or buildings that are not the residence of the FSP benefit household.

NOTICE OF ADVERSE ACTION – The written notification form sent to a household prior to any action to reduce or terminate benefits.

NOTICE OF EXPIRATION – The form used to notify the household of the end of its certification period and to schedule an appointment for the recertification interview.

OFFICE OF ADMINISTRATIVE HEARINGS (OAH) – The agency responsible for scheduling and conducting fair hearings, and for providing a fair and impartial decision based on the Code of Maryland Regulations (COMAR) or Code of Federal regulations (CFR).

OFFICIAL DOCUMENT – The original or copy of a government document, correspondence, or the like from a public or private agency or business. The document must show the letterhead of the agency or business.

OFFSETTING – Reducing the amount of an overissuance by the amount of restored (under issued) FSP benefits owed to a household.

ON-THE-JOB TRAINING (OJT) – A program in which the training necessary to perform a job is provided by the employer after the employee is hired, and designed for individuals who do not have the training or specific work experience required for the job. OJT allows the participant to gain the knowledge and skills necessary in the performance of a job after he or she is hired as an employee. The employer is usually in the private sector. The participant receives training while working, and after training may continue on with the same employer or be placed with another in unsubsidized employment.

OVERISSUANCE – The receipt by a household of more FSP benefits than it was entitled to receive.

PAYMENT MONTH – The calendar month for which the household receives an allotment.

PAYMENT NAME – The person in whose name the FSP benefits are issued.

PENALTY – The punishment following prosecution of an individual, partnership, corporation, or other legal entity for any unauthorized issuance, use, transfer, acquisition, alteration, possession, or presentation of FSP benefits.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 15

PENALTY PERIOD – A certain period of ineligibility for participation in the FSP based on the non-cooperation with state or federal Quality Control review.

PERMANENT RESIDENT ALIEN – A person who has or who intends to establish residency in the United States, with the purpose of remaining and becoming a US citizen.

PRORATION – The determination of the benefit due the household from the date of application to the end of the month of application (unless the applicant household is a resident of a public institution. Institutionalized applicants will receive benefits from the date they are released.)

PUBLIC ASSISTANCE TO ADULTS (PAA) – A monthly payment of State funds to a person who has been certified for Assisted Living, a CARE Home or Rehabilitative Residence.

PUBLIC ASSISTANCE/FOOD SUPPLEMENT PROGRAM HOUSEHOLD – A FSP benefit household in which all members receive Public Assistance and/or SSI benefits.

QUALIFIED IMMIGRANT

- An immigrant lawfully admitted for permanent residence under the Immigration and Nationality Act (INA).
- An immigrant granted asylum under §208 of the INA.
- A refugee admitted under §207 of the INA.
- An immigrant who is paroled under §212(d)(5) of the INA for a period of at least 1 year.
- An immigrant whose deportation is being withheld under §§243(h) or 241(b)(3) after April 1, 1997 of the INA.
- An immigrant who is granted conditional entry pursuant to §203(a)(7) of the INA.
- Cuban and Haitian entrants.
- Certain battered alien spouses and children.

QUALITY CONTROL (QC) – The branch of FIA or FNS which provides data on the accuracy with which the department is applying eligibility and payment requirements. QC gathers data through continuous review of a statistically reliable statewide sample of active cases.

RAILROAD RETIREMENT – Retirement benefits for former railroad employees.

REAPPLICATION – See Recertification.

REASON CODE – A numerical code that identifies the basis for a case action.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 16

REASONABLE PAYMENT – The amount of a payment a boarder must make to be considered a non-household member. A reasonable payment is:

- the amount of the maximum allotment for the number of persons making a payment if the payment is for at least three meals per day; or
- two-thirds of the maximum allotment if the payment is for less than three meals per day.

RECENT WORK HISTORY – Employment in the current month or either of the two preceding months.

RECERTIFICATION – The process of filing and completing a new application form, being interviewed, and having certain information verified in order for benefits to continue for a new certification period.

RECIPIENT – An individual who has been determined eligible for and is receiving benefits.

RECOUPMENT – The automatic reduction of a monthly allotment to repay a prior overissuance.

REFUGEE – The status granted by INS to a person residing in the US because of persecution or a well-founded fear of persecution in his home country because of his race, religion, nationality, membership in a particular social group, or political opinion.

RESIDENT OF INSTITUTION – An individual who lives in a facility which provides him with the majority of his meals (over 50% of three meals daily). Residents of institutions are not eligible to participate in the FSP except for:

- a resident of federally subsidized housing for the elderly;
- a drug addict or alcoholic who is undergoing treatment at a drug or alcohol treatment center;
- a resident of a group living arrangement who is disabled or blind and receives benefits under Title 11 or Title XVI of the Social Security Act;
- a woman, or a woman with her children, who resides temporarily in a shelter for battered women and children; or
- a resident of a public or private non-profit shelter for the homeless.

RESOURCES – The assets available to the household including bank accounts, trust funds, real property, stocks or bonds, or personal goods.

RESTORED BENEFITS – The FSP benefits a household was eligible for but did not receive, which are returned to the household due to an agency error or a reversal of disqualification for intentional program violation (IPV), or for specifically stated circumstances that a household is entitled to restoration of lost FSP benefits.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 17

RETAIL FOOD STORE – Any of the following who sell food or provide meals:

- an establishment, recognized department of an establishment, or a house-to-house trade route, whose eligible food sales are more than 50% staple food items for home preparation and consumption;
- any private non-profit cooperative food purchasing venture, including those whose members pay for food prior to receipt of the food;
- a farmers' market;
- a private non-profit drug or alcohol addiction treatment and rehabilitation program;
- a publicly operated community mental health center that conducts residential programs for drug addicts and/or alcoholics; or
- a public or private non-profit group living arrangement or a shelter for battered women and children;

RETIREMENT, SURVIVORS AND DISABILITY INSURANCE (RSDI) – The monthly money received because of retirement, disability, or being the survivor of an individual eligible to receive FSP benefits. The FSP benefits are administered by the Social Security Administration and are commonly known as Social Security benefits.

ROOMER – A person who pays the household for lodging but not meals.

SELF-EMPLOYMENT – The earning of income directly from one's own business, trade, or profession, rather than from an employer. The self-employed person is responsible for withholding taxes and making tax payments.

SHELTER DEDUCTION – The deduction given for a household's shelter expenses in excess of 50% of its monthly income after all other deductions, subject to maximum limits.

SHELTER FOR BATTERED WOMEN AND CHILDREN – A public or private non-profit residential facility that provides shelter and related services for women who have been physically abused by their spouses. The facility also provides shelter and services to the children of abused women residing in the facility.

SHELTER FOR HOMELESS PERSONS – A facility that provides temporary nighttime accommodation to individuals who do not have a fixed and regular nighttime residence.

SHELTERED WORKSHOP – A supervised place of employment for individuals with disabilities.

SIBLING – A natural, adopted, half, or step brother or sister.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 18

SOCIAL SECURITY NUMBER (SSN) – A number established for a person by the Social Security Administration.

SPONSOR – A person or organization which has entered into an agreement with INS to support an immigrant as a condition of the alien's admission for permanent residence.

SPONSORED IMMIGRANT – An immigrant under sponsorship, lawfully admitted for permanent residence into the United States as an immigrant as defined by Sections 101(a)(15) and 101(a)(20) of the Immigration and Nationality Act.

SPOUSE – Either of two individuals who:

- Would be defined as married to each other under applicable state law, or
- Are living together, and are holding themselves out to the community as husband and wife by representing themselves as such to relatives, friends, neighbors, or trades people.

SSI HOUSEHOLD – A household in which all members are SSI recipients.

STANDARD DEDUCTION – The deduction of an established monthly amount from all types of income.

STANDARD UTILITY ALLOWANCE (SUA) – A single utility allowance used in place of individual identifiable utility costs when computing the excess shelter costs for a household that is billed for heating or cooling separately and apart from the rent or mortgage.

STATE DATA EXCHANGE (SDX) – A system which provides information on SSI recipients as a result of a state computer match with the Social Security Administration.

STATE VERIFICATION EXCHANGE SYSTEM (SVES) – An automated data exchange system with the Social Security Administration for verifying social security numbers, SSA benefits and SSI benefits.

STRIKE – A concerted stoppage of work by employees, including a stoppage due to the expiration of a collective bargaining agreement, or any concerted slowdown or other interruption of operations by employees.

STRIKER – A person involved in a concerted work stoppage, slowdown or interruption of work by employees, including work stoppages at the expiration of a collective bargaining agreement.

STUDENT – Any person attending school.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 19

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM – The federal name for the Food Supplement Program.

SUPPLEMENTAL SECURITY INCOME (SSI) – Monthly cash payments made to the Aged, Blind and Disabled under the authority of Title XVI of the Social Security Act, as amended, Section 1616(A) of the Social Security Act, or Section 212(A) of Pub. L.93-66.

SYSTEMATIC ALIEN VERIFICATION FOR ENTITLEMENT SYSTEM (SAVE) – An automated system for verification of selected data for comparison with an immigrant's documentation.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) – A federal program that provides cash assistance to families with children. This program replaced the Aid to Families with Dependent Children program.

TEMPORARY CASH ASSISTANCE (TCA) – A cash program in the Family Investment Program for needy families with children funded by TANF.

TEMPORARY DISABILITY ASSISTANCE PROGRAM (TDAP) – A State funded cash program for low income disabled adults without children

THIRD PARTY PAYMENTS – Any income which is payable to the household but which is paid directly to a service provider (third party) for household expenses.

THRIFTY FOOD PLAN (TFP) – The diet required to feed a family of four persons consisting of a man and a woman aged 20 through 50, a child 6 through 8, and a child 9 through 11 years of age, determined in accordance with the Department of Agriculture. The cost of such a diet is the basis for uniform maximum allotments for all households.

TIMELY NOTICE – A form mailed or given to the customer which conforms with the time frames established for the needed actions.

TIMELY REPORTING – The household's responsibility to report certain changes in circumstances within 10 days of the date the change becomes known to the household.

TRAFFICKING – The buying or selling of FSP benefits for cash or for other than eligible food or for the exchange of firearms, ammunition, explosives or controlled substances.

TRAINING ALLOWANCE – Money received from a vocational or rehabilitative program recognized by the federal, state, or local government, provided it is not a reimbursement. Examples of training programs are:

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 20

- Title I of the Domestic Volunteer Service Act of 1973; payments from programs such as Vista, University Year for Action, or Urban Crime Prevention Program;
- Title 11 of the Domestic Volunteer Service Act of 1973; payments from programs such as RSVP, Foster Grandparents, etc.

UNDERISSUANCE – The receipt of fewer FSP benefits than a household is entitled to.

UNEARNED INCOME – Income that is not received in return for work done or services rendered. Unearned income includes, but is not limited to:

- Assistance payments based on need, including payments provided as a vendor payment;
- annuities, pensions, retirement, veteran's or disability benefits;
- worker's or unemployment compensation;
- old-age, survivor's or Social Security Benefits;
- strike benefits;
- foster care payments for children or adults when the individual is included in the FSP benefit household;
- gross income minus business costs from rental property if a household member is not actively engaged in management of the property at least 20 hours a week.
- support or alimony payments; support refunds;
- educational grants or loans, scholarships or fellowships less allowable expenses;
- interest;
- royalties;
- withdrawn monies or dividends;
- deemed income from disqualified or ineligible household members and from sponsors of aliens.

UNEMPLOYMENT COMPENSATION – A benefit paid to persons who were laid off from employment or fired without a good reason.

UNITED STATES (US) CITIZEN – A person who:

- was born in the US, including Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, Swain's Island, Panama, and other US territories during certain historical periods;
- was naturalized by INS;
- derived citizenship from parents when the parents became naturalized citizens;
- acquired US citizenship at birth abroad through a US citizen parent or parents; or acquired citizenship through applications by US citizen adoptive parents.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 21

UNSUITABLE EMPLOYMENT – Any employment which meets one of the following criteria:

- The wage offered is less than the highest of the applicable federal minimum wage, the applicable state minimum wage, or eighty percent
- (80%) of the federal minimum wage, if neither the federal nor state minimum wage is applicable.
- The employment offered is on a piece-rate basis, and the average hourly yield the employee can reasonably be expected to earn is less than the applicable state or federal minimum wage, or 80% of the federal minimum wage if neither the federal nor state minimum wage is applicable.
- The participant, as a condition of employment or continuing employment, is required to join, resign from, or refrain from joining any legitimate labor organization.
- The work offered is at a site subject to a strike or a lockout at the time of the offer, unless the strike has been enjoined under Section 208 of the Labor-Management Relations Act (29 U.S.C. 78 commonly known as the Taft-Hartley Act); or unless an injunction has been issued under section 10 of the Railway Labor Act (45 U.S.C. 160).

VEHICLE – A passenger car, truck, motorcycle, or other motor vehicle that can be used to transport persons or goods.

VENDOR PAYMENT – A money payment **NOT** payable to the household, but which is paid to a third party for household expenses.

VERIFICATION – The use of written, visual or oral information from someone other than the client to prove the accuracy of statements made by the household.

VETERANS (VA) BENEFITS – Payments, usually monthly, made to military veterans.

VOLUNTARY JOB QUIT – The termination of employment due to a personal choice. For FSP purposes usually considered without good cause.

VOLUNTARY SUPPORT – Non-court ordered money received for the support of a household member by a non-household member.

WAGES & SALARIES – The total gross money paid for services performed as an employee.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
GLOSSARY	Section 500	Page 22

WITHDRAWN MONEY – Money taken out of bank accounts or interest payments which are or could be received by a household member from excludable resources such as a trust fund.

WOMEN, INFANTS, AND CHILDREN (WIC) – A supplemental food program which provides vouchers for specific types of food for pregnant women, mothers, infants, and children who meet certain conditions. It is a federal program administered locally by the Department of Health and Mental Hygiene.

WORKERS' COMPENSATION (WC) – An insurance benefit paid to an employee who is injured on the job.

WORK FORCE INVESTMENT ACT – A federally funded employment and training program that replaced JTPA.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
STANDARDS FOR INCOME AND DEDUCTIONS	Section 600	Page 1

600.1 STANDARDS FOR ELIGIBILITY AND MAXIMUM ALLOTMENTS

- A. The standards for the following appear in Section 600, page 2.
1. Column A - Maximum Gross Monthly Income Standards (130% of poverty)
 2. Column B - Maximum Net Monthly Income Standards (100% of poverty)
 3. Column C - Maximum Gross Income Standard for Elderly and Disabled Separate Household (165% of poverty)
 4. Column D - Thrifty Food Plan/Maximum Allotment
- B. Standards 1, 2, and 3 are used to determine household eligibility and not for computing allotments.

600.2 FORMULA CALCULATION

- A. Multiply the household's net monthly income by 30%.
- B. Round the product up to the next whole dollar if any cents result.
- C. Subtract the product from the maximum allotment amount for the household size found in Column D, Section 600.

NOTE: In an initial month, if the allotment is less than \$10, no benefit is issued. Except in an initial month, all eligible one and two person households must be issued the minimum allotment of \$16.

600.3 DEDUCTION STANDARDS

Standard Deduction	
Household size up to and including 3 people-----	\$142
Household of 4-----	\$153
Household size of 5-----	\$179
Household size of 6 or more-----	\$205
Excess Shelter Deduction-----up to	\$458
Homeless Household Shelter Allowance-----	\$143
Standard Utility Allowance (SUA)-----	\$403
Limited Utility Allowance (LUA)-----	\$244
Telephone Standard-----	\$40

* The excess shelter deduction does not apply to households with an aged or disabled member. These households receive an uncapped shelter deduction.

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION	FOOD SUPPLEMENT PROGRAM MANUAL	
STANDARDS FOR INCOME AND DEDUCTIONS	Section 600	Page 2

600.4 Determining the Food Supplement Program (FSP) Allotment

A. Determine a household's monthly FSP allotment by using the Basis of Issuance Tables:

1. Calculate the household's net monthly income.
2. Compare the household's net monthly income to the maximum net monthly income standard, Column B below. Households that are not categorically eligible for FSP benefits will have net monthly incomes that are lower than or equal to the amounts shown in Column B.
3. Find the allotment by reading in the Basis of Issuance Tables, down to the appropriate income and across to the appropriate household size.

NOTE: A household that is categorically eligible is entitled to any allotment shown in the appropriate column on the tables. Persons in household sizes of one or two and categorically eligible are eligible for a benefit of \$16, even if the tables do not show a benefit amount at their net income levels.

	Col. A	Col. B	Col. C	Col. D
Household Size	Maximum Gross Monthly Income* 130% of Poverty	Maximum Net Monthly Income* 100% of Poverty	Monthly Income Elderly/Disabled Separate Household* 165% of Poverty	Maximum Allotment
1	\$1174	\$ 903	\$1490	\$200
2	1579	1215	2004	367
3	1984	1526	2518	526
4	2389	1838	3032	668
5	2794	2150	3547	793
6	3200	2461	4061	952
7	3605	2773	4575	1052
8	4010	3085	5089	1202
Each Additional Member	+406	+312	+515	+150

* Maximum gross and net monthly income figures are not used for computing the FSP allotment. They are included as a reference for determining the household's eligibility.

Food Stamp Manual Index

A

ABAWD (Able Bodied Adults without Dependents)

- certification periods for, 130.24–130.25, 410.2
- reporting requirements for, 420.21, 420.23
- treatment of resources, 200.33

abuse. *See* domestic abuse victims

Administrative Disqualification Hearing (ADH)

- appropriate use of, 480.8, 480.11
- decisions of, 480.19
- failure to appear for, 480.18
- general procedures for, 480.15–480.17, 480.19
- penalties determined by, 480.3, 480.20
- right to waiver of, 480.12
- scheduling of, 480.14

administrative hearings

- attendees required, 460.10
- availability of, 460.2
- consolidation of multiple, 460.11
- continuation of benefits during, 460.19
- customer rights to, 130.12, 403.9
- decisions of, 460.16–460.18
- denial of, 460.12
- due to a mass change, 420.104
- general procedures for, 460.3–460.12, 460.16, 490.14
- household rights during, 460.13
- notice of adverse action, 430.3
- officials of, 460.14–460.16
- for termination of benefits, 430.6

Administrative Law Judge (ALJ), 480.16

adverse action

- advanced notice of, 430.1–430.3, 430.6
- against convicted drug felons, 402.74
- due to reporting issues, 420.8–420.9
- exemption from notice requirement, 430.4
- against potentially categorically eligible households, 430.5

Agency Error (AE), 490.3, 490.4

Agent Orange Compensation Exclusion of 1989, 200.41, 211.3

Alaska Native Claims Settlement Act, 200.41, 211.3

alien. *See* immigrants

allowable deductions, 212.3–212.4

American Indians. *See* Indians

Americorps, 211.3

application process

- approval, 406.31
- begun at wrong office, 400.5, 406.1
- delays in, 406.5–406.83
- denial, 406.32
- for expedited services, 401.2–401.8
- forms for, 400.3
- general procedures for, 400.1–400.7
- for joint applications, 115.3, 406.9
- processing period for, 406.2–406.4
- questionable information, 408.5

residency requirements, 110.1–110.3

withdrawal during, 400.7, 430.4

authorized representative. *See* representatives

B

babies and obtaining Social Security Number, 405.3–405.4

bankruptcy

- and effect on claims against households, 490.21
- by farmers, 104.82, 104.86
- verifications required for, 104.891

Basis of Issuance Table, 409.4, 411.2

battered women and children shelter residents. *See also*

homeless shelter residents

expedited services for, 103.5

resources of, 103.4

as separate households, 103.3

benefits. *See* food stamp benefits

boarders

paying commercial boarding houses, 100.4, 105.2

providing income to households, 105.2–105.5

Bureau of Citizenship and Immigration Services (BCIS or USCIS), 120.2, 120.3, 120.10, 120.12–120.16, 120.18

Bureau of Indian Affairs, 200.42, 211.3

C

CARES (Client Automated Resource and Eligibility System)

assigning certification period with, 410.2

closing cases in, 440.2

delay notices through, 406.6–406.7

determining benefit level with, 409.4

using for notification of mass changes, 420.102–420.103

using to process claims, 490.11–490.12

using to request information, 410.33, 420.8

for work registration, 130.3

The Carl D. Perkins Vocational Education Act of 1990, 211.3

categorically eligible households

adverse action against, 430.5

defined, 115.1–115.2

food stamp benefits for, 409.4, 412.8

processes for determining, 115.3

verifications required for, 408.12

Central Collection Unit (CCU), 490.19

certification period

changes during, 410.33, 420.8

for expedited services, 401.8

general procedures for, 410.1–410.32, 410.4–410.5

for migrant/seasonal workers, 122.14–122.15

for public assistance households, 410.34

for Transitional Food Stamp benefits, 420.12

Food Stamp Manual Index

- changes to food stamp households. *See also* food stamp household
 - department action on, 420.4
 - expedited, 420.52
 - failure to report, 420.9
 - mass changes, 420.10–420.104
 - normal, 403.11, 420.23, 420.51
 - public assistance households, 420.11
 - through simplified reporting, 420.21
 - unclear information about, 420.8
 - verifications required for, 420.6
 - charitable contributions, 211.3
 - child care
 - as deduction, 212.7, 213.4, 409.3
 - and issues with work requirements, 130.5–130.6
 - reimbursements for, 211.3
 - The Child Care and Development Block Grant Act, 211.3
 - The Child Nutrition Act, 211.3
 - children. *See also* students
 - of American Indians, 120.11
 - excluding income of, 211.3
 - exemption from work registration, 130.5
 - in the food stamp household, 100.3
 - in foster care, 100.5
 - as head of household, 404.2
 - immigrant, 120.6
 - of migrants, 122.9
 - obtaining Social Security Numbers for, 405.3
 - of sponsored immigrants, 121.2
 - of students, 102.3
 - of veterans, 120.10
 - child support
 - as deduction, 212.11, 213.5
 - as excluded income, 211.3
 - required reporting, 420.23
 - as unearned income, 210.33
 - verifications required, 408.3
 - citizenship
 - status while waiting verification of, 120.16
 - verifications required, 120.14, 408.3
 - The Civil Liberties Act of 1988 (Wartime Relocation of Civilians), 200.41, 211.3
 - claims against food stamp households
 - bankruptcy, 490.21
 - calculations of, 490.6
 - Central Collection Unit (CCU), 490.19
 - collections of, 490.8, 490.10–490.12, 490.15–490.16
 - compromises, 490.17
 - failure to comply, 490.9, 490.13
 - general procedures for, 490.4–490.6, 490.14
 - interstate, 490.22
 - against re-applicants, 490.18
 - refunds to household, 490.20
 - satisfying through community service, 490.10
 - types of, 490.2–490.3
 - Client Automated Resource and Eligibility System (CARES). *See* CARES (Client Automated Resource and Eligibility System)
 - collateral contract, 408.92
 - commercial boarding houses. *See* boarders
 - Commodity Credit Corporation (CCC), 104.87
 - complaints
 - about discrimination, 403.7
 - general procedures for, 403.8
 - convicted felons. *See* felony drug convictions
 - cost of living, and changes to, 420.10
 - court referrals, 480.8
 - Cranston-Gonzales National Affordable Housing Act of 1990, 211.3
 - The Crime Act of 1984, 200.41, 211.3
 - customer contact
 - on administrative hearings, 460.8
 - on adverse action, 430.1–430.3
 - during application process, 400.1–400.5
 - on benefit errors, 470.2
 - on certification periods, 410.4
 - for expedited services, 401.6–401.7
 - with forms to report changes, 420.3
 - on pending disqualification, 480.10–480.12, 480.21
 - on recertification, 440.4
 - on simplified reporting requirements, 420.22
 - on unclear information, 408.5, 420.8
 - to verify information, 408.92
 - Customer Error (CE), 490.3, 490.4
 - customer responsibilities
 - to clarify questionable information, 408.10, 420.8
 - cooperation, 403.10
 - during interview, 402.5
 - to provide verifications, 408.2, 408.9–408.11
 - to report changes, 403.11, 409.5, 420.21, 420.23
 - customer rights
 - to administrative hearing, 460.3, 460.13
 - to apply for food stamps, 403.5
 - to confidentiality, 403.3
 - establishing during interview, 402.5
 - to non-discrimination, 403.6
 - to notice of adverse action, 430.1
 - to postpone administrative hearings, 460.9
 - to records, 400.6, 403.4
- ## D
- deductions
 - allowable, 212.3–212.4
 - billed, 213.41
 - for child support, 212.11, 213.5
 - for dependent care, 212.7, 213.4, 600.3
 - for excess housing expenses, 212.9, 600.3
 - for homeless individuals, 212.10, 600.3
 - for medical expenses, 212.8
 - standard, 212.3, 212.5–212.6, 409.3, 600.3

Food Stamp Manual Index

- delays in process
 - determining fault, 406.4–406.83
 - excessive, 406.81–406.83
 - Demonstration Projects for the Integration of Vocational and Academic Programs, 211.3
 - dependent care. *See* child care
 - disabilities
 - in elderly, 109.43
 - permanent status under SSA, 109.32
 - verifications required, 408.3
 - and work requirement, 130.5, 130.6
 - disabled individuals
 - allowable deductions, 212.3
 - certification period for, 410.1, 410.2
 - exemption from work requirement, 130.5, 130.6
 - in food stamp household, 100.7
 - in Group Living Arrangement (GLA), 100.7, 109.23
 - as immigrants, 120.7
 - income/resources of, 200.2, 210.33, 409.2
 - required reporting, 420.23
 - disaster assistance payments, 104.87
 - The Disaster Relief Act of 1974, 104.87, 200.41, 211.3
 - discrimination
 - as cause for voluntary quit, 130.21
 - customer rights, 403.6
 - disqualification from program, 100.62. *See also*
 - program violations
 - ending, 405.7
 - for felony drug convictions, 100.62, 402.71, 480.31
 - income treatment, 108.6, 210.34, 405.5
 - for Intentional Program Violations, 480.3, 480.20–480.22
 - for non-compliance with work requirements, 130.12, 130.14
 - for non-intentional program violations, 480.31
 - referrals for, 480.13
 - through Disqualification Consent Agreement, 480.9
 - for transferring resources, 200.52–200.53
 - for voluntary quit, 130.18–130.23
 - documentary evidence, 408.91
 - domestic abuse victims. *See also* shelter residents
 - exemptions from work requirements, 130.6
 - immigrants, 120.13, 121.2
 - as individual household, 103.3
 - resources of, 200.32
 - Domestic Volunteer Services Act of 1973, 211.3
 - drug convictions. *See* felony drug convictions
 - drug treatment centers. *See* rehabilitation centers
- E**
- earned income, 210.31
 - earned income deduction, 212.6, 213.3, 405.5, 409.3
 - earned income deductions not allowed, 490.6
 - Earned Income Tax Credit (EITC), 200.41, 211.3
 - earned interest, 211.3
 - educational assistance, 211.3
 - elderly individuals
 - allowable deductions, 212.3
 - certification period for, 410.1–410.2
 - exemptions from work requirements, 130.5, 130.6
 - in food stamp household, 100.7, 109.4
 - as immigrants, 120.8
 - income/resources of, 200.2, 210.33, 409.2
 - required reporting, 420.23
 - elderly non-profit housing, 100.7
 - Electronic Benefit Transfer System (EBTS), 402.5, 490.10
 - Eligibility Determination Document (EDD), 115.2
 - employment conditions, 130.15–130.16
 - Energy Assistance Act, 200.41
 - excluded income, 211.2–211.4
 - excluded resources, 200.41–200.42
 - expedited changes to benefits, 420.52
 - expedited services
 - eligible households, 401.2
 - general procedures for, 401.5
 - interviews, 401.6–401.7
 - for migrant/seasonal workers, 122.14
 - processing standards, 401.5
 - and prorating initial allotment, 412.7
 - for rehabilitation center residents, 109.54
 - screening process, 401.4
 - for shelter residents, 103.5
 - Social Security Numbers, 405.4
 - special procedures, 401.8
 - for SSI households, 406.9
 - verifications required, 408.4
 - expenses
 - anticipating, 213.43
 - averaging, 213.42
 - billed, 213.41
 - for disqualified individuals, 405.5
 - reimbursements for, 211.3
 - sharing costs of, 214.2
- F**
- face to face interviews. *See* interviews
 - failure to comply
 - with FSET requirements, 130.12–130.13
 - with means tested programs, 210.36
 - with providing SSN, 210.34, 405.5, 405.6
 - Fair Labor Standards Act (FLSA), 130.10, 130.24
 - Family Investment Administration, 109.59, 480.16
 - farmers. *See also* self-employed individuals
 - defined, 104.8
 - eligibility of, 104.82
 - filing bankruptcy, 104.82, 104.86
 - work requirements for, 104.3

Food Stamp Manual Index

- farm expenses, 104.83
 - farm income/resources
 - changes in, 104.892
 - computations of, 104.82–104.83, 104.892
 - earned income deductions, 104.89
 - losses, 104.88
 - payments, 104.87
 - from tobacco sales, 104.85
 - verifications required, 104.891
 - farm laborers, 104.82
 - farm shelter portion, 104.84
 - Federal Crop Insurance Corporation (FCIC), 104.87
 - Federal programs
 - as excluded resource/income, 200.41, 211.3
 - failure to comply, 210.36
 - felony drug convictions
 - as disqualifier, 100.62, 402.71, 480.31
 - eligibility for applicants with, 402.73
 - income treatment, 210.34
 - of individuals, 100.7, 402.71–402.74
 - financial aid for education, 211.3
 - FIP Substance Abuse Treatment and Services, 100.7
 - fishermen, 104.88
 - Food and Nutrition Service (FNS), 100.7, 109.51, 109.59, 403.6, 420.101
 - Food Stamp Allotment Proration Table, 411.3
 - food stamp applications. *See* application process
 - food stamp benefits
 - approval of, 406.31
 - certification period for, 410.1
 - continuation of during hearing request, 460.19
 - decreases in, 420.7, 430.1–430.6
 - denial of, 406.32
 - determining level of, 409.4
 - disputes over restoration of, 470.3
 - increases in, 420.6, 420.51
 - initial allotment, 411.2, 412.2–412.8
 - and lost food, 470.8
 - with other forms of assistance, 420.11
 - and restoration of, 470.10–470.12
 - retroactive, 400.2
 - transitional, 420.12
 - Food Stamp Employment and Training Program (FSET). *See* FSET (Food Stamp Employment and Training Program)
 - food stamp household. *See also* changes to food stamp households
 - authorized representatives, 404.3
 - categorical eligibility of, 115.2
 - causing delays, 406.5–406.83, 406.83
 - and changes to former households, 103.6
 - claims against, 490.2
 - containing boarders, 100.4
 - containing migrant workers, 122.5
 - containing sponsored immigrants, 121.2
 - containing strikers, 101.1–101.3
 - containing students, 102.7
 - containing veterans, 109.3–109.33
 - deductions, 212.2–212.12
 - head of household, 404.2
 - income, 409.2–409.3
 - ineligible members of, 108.4, 108.5, 108.7
 - non-household members, 100.8, 108.2, 108.5, 108.7
 - repayment responsibility, 490.16
 - required combinations, 100.3
 - required reporting, 403.11, 405.5, 420.2
 - requirements for eligibility, 100.2–100.3
 - supplying boarding services, 105.1–105.5, 210.32
 - unclear information about, 410.33
 - verifications required, 100.9, 120.3, 120.14, 408.3–408.8
 - foster care, 100.5
 - fraud, 210.36
 - FSET (Food Stamp Employment and Training Program). *See also* work requirements
 - and categorical exemption, 130.7
 - failure to comply, 130.12–130.14
 - general procedures for, 130.8
 - and loss of exemption status, 130.11
 - program requirements, 130.10
 - and transportation difficulties, 130.6
 - voluntary participants, 130.9
- ## G
- garnishment, 104.86
 - Group living arrangement (GLA)
 - authorized representation of, 109.24, 404.5
 - defined, 109.21
 - as food stamp household, 100.7
 - operator responsibilities to, 109.25–109.27
 - requirements for benefits, 109.23
 - verifications required, 109.22
- ## H
- head of household. *See also* representatives
 - choice of, 100.10, 404.2
 - designating children, 404.2
 - hearing official, 460.14–460.16
 - hearings. *See* Administrative Disqualification Hearing (ADH); administrative hearings
 - Higher Education Act, 102.4, 200.41, 211.3
 - The Higher Education Amendments of 1992, 211.3
 - homeless, defined, 212.10
 - homeless shelter residents. *See also* battered women and children shelter residents
 - authorized representatives for, 404.6
 - certification period for, 410.2
 - deductions, 212.10
 - eligibility of, 100.7
 - verifications required, 408.3
 - work requirements, 130.6

Food Stamp Manual Index

- home visits, 402.3
 - household. *See* food stamp household
 - household misfortune, and restoration of lost food (form), 470.8
 - The Housing and Community Development Act of 1987, 211.3
 - Housing and Community Development Act of 1992 (Youthbuild Program), 211.3
 - housing expenses
 - as deduction, 212.9, 409.3
 - verifying costs of, 408.6
 - HUD (Department of Housing and Urban Development), 211.3
 - HUD Utility Reimbursement, 211.3
- ## I
- identity verifications, 408.3
 - illegal immigrants, 120.18
 - immigrants
 - American Indian, 120.11
 - battered, 120.13
 - calculations of resources, 120.19
 - case situations, 120.20
 - categories under welfare law (chart), 120
 - children, 120.6
 - disabled, 120.7
 - forms for, 120.3
 - Hmong or Highland Laotians, 120.11
 - indigent, 121.2
 - ineligibility of, 100.61
 - with military connection, 120.10
 - qualified immigrant defined, 120.3
 - qualifiers for eligibility, 120.3–120.20
 - reporting illegal, 120.18
 - trafficking of, 120.20
 - verification process, 120.14
 - immigrant sponsorship
 - Affidavit of Support, 121.1–121.2
 - general procedures for, 121.2–121.3
 - required information, 121.4–121.6
 - verifications required, 121.5
 - immigrant work quarters, 120.9
 - Immigration and Nationality Act (INA), 120.3, 120.5, 120.9, 120.10, 120.13, 120.16, 121.4
 - income. *See also* resources
 - from boarders, 100.4, 105.1–105.5, 210.32
 - calculating, 213.2–213.3, 213.6
 - from capital gains, 104.5
 - to determine eligibility, 210.2, 409.2–409.3
 - of disqualified individuals, 108.5, 108.6, 210.34, 405.5
 - earned, 210.31
 - effect on benefit levels, 409.4
 - excluded, 211.2–211.4
 - of farmers, 104.82–104.892
 - garnishment of, 104.86
 - in-kind, 211.3
 - of migrant workers, 122.9–122.12
 - of non-household members, 108.5, 211.3
 - phantom, 210.36
 - pro-rated, 104.4, 210.34
 - and reduction of public assistance, 210.36
 - required reporting, 420.21, 420.23
 - of self employed individuals, 104.4–104.7, 210.32
 - of shelter for battered women and children residents, 103.4
 - of students, 102.7
 - from tax credits, 104.87
 - unearned, 210.33
 - using to verify striker eligibility, 101.3
 - verifications required, 210.4, 408.3
 - income tax refunds, 211.3
 - Independence Card, 404.3, 404.6, 404.7
 - Indian lands
 - as excluded income, 211.3
 - as excluded resource, 200.41
 - Indians
 - excluded income, 211.3
 - excluded resources, 200.41
 - immigrant eligibility, 120.11
 - Indian Self Determination and Educational Assistance Act, 120.11
 - Indian Vocational Education Program, 211.3
 - ineligible individuals. *See* program violators
 - institutional residents, 100.63
 - Intentional Program Violations (IPV)
 - calculating claims, 490.6
 - collections of claim, 490.8
 - defined, 480.2
 - determination of, 480.4
 - and Disqualification Consent Agreement, 480.9
 - general procedures for, 480.6–480.7
 - notice of adverse action, 430.4
 - overpayments because of, 490.3
 - penalties, 480.3, 480.20
 - referrals to hearing, 480.13
 - reporting disqualified individuals, 480.22
 - restoration of benefits, 470.5
 - and Simplified Reporting, 480.5
 - treatment of income, 108.6
 - treatment of resources, 108.6, 200.33
 - interviews
 - content of, 402.5
 - face to face, 402.2
 - home visits, 402.3
 - with migrant/seasonal workers, 122.4
 - scheduling of, 402.6
 - waiver for, 402.4

Food Stamp Manual Index

J

Job Training Partnership Act (JTPA), 102.3, 102.4
joint custody, 100.3

L

law enforcement officers, and records release to, 403.3
Limited Utility Allowance (LUA), 214.1
loans
 as excluded income, 211.3
 as resource, 104.82
The Low-Income Home Energy Assistance Act of 1986, 211.3
Low-Income Home Energy Assistance Program (LIHEAP), 200.41
lump sums
 as counted excluded resource, 200.31, 213.3
 as excluded income, 211.3, 213.3

M

Maine Indian Claims Settlement Act of 1990, 200.41
Maryland Automated Benefit System (MABS), 210.4, 490.6
Maryland Energy Assistance Program (MEAP), 200.41
Maryland Senior Nutrition Assistance Program (MSNAP), 109.7
mass changes, 420.10
means tested programs, 120.9, 210.36
Medicaid, 403.3
medical expenses
 as a deduction, 212.8, 213.4, 409.3
 for disqualified individuals, 405.5
 reimbursements for, 211.3
 verifications required, 408.3
migrant/seasonal farm workers
 certification period for, 410.2
 defined, 122.2–122.3
 destitute, 122.10
 general procedures for, 122.4
 good cause for voluntary quit, 130.21
 income of, 120.10–120.12
 initial allotment, 412.2
 resources of, 122.8
 work registration, 122.7, 130.6
Model Program of Regional Training for Skilled Trades, 211.3

N

narration, 408.11
The National and Community Service Trust Act of 1993, 211.3
The National School Lunch Act, 200.41, 211.3
Native Hawaiian Vocational Education Program, 211.3
Nazi Persecution Crime Act, 200.41
newborns, and obtaining Social Security Number,

405.3–405.4
non-citizen. *See* immigrants
non-household members
 defined, 100.8, 108.3
 reasons for non-member status, 108.3–108.4, 108.7
 resources/income of, 108.5, 200.34, 211.3
Notice of Adverse Action, 104.892, 130.12, 430.1–430.6
 adequate notice of, 430.3
 exemption from notice, 430.4
 timely advance notice, 430.2
Notice of Expiration, 440.3

O

Office of Administrative Hearings (OAH), 460.5, 460.17, 480.13
Office of Public Affairs, 420.101
Office of Refugee Resettlement (ORR), 120.37
Older Americans Act (Title V), 211.3
on-the-job training, 102.2
opportunity to participate for normal processing, 400.2
overpayment, 420.21, 490.2–490.4

P

PASS (Plan for Achieving Self Support), 211.3
Payment-In-Kind (PIK), 104.82, 104.87, 211.3
payments third party, 211.3
payments to volunteers, 211.3
phantom income, 130.12, 210.36
pregnancy and work registration, 130.6
Privacy Act of 1974, 403.2
procedural requirements
 for application for food stamps, 406.1–406.9
 for complaints, 403.7–403.9
 for expedited services, 401.2–401.5
 and income eligibility, 409.2–409.3
 for individual convicted of drug related felony, 402.72–402.74
 for individuals disqualified for failing to provide SSN, 405.5
program violations. *See also* disqualification from program
 Intentional Program Violations (IPV), 480.2–480.3
 non-intentional, 480.31
program violators
 as authorized representatives, 404.6
 reporting disqualified individuals, 480.22
 treatment of income, 108.6, 210.34
proration tables, 411.1–411.4, 412.4
Public Assistance (PA), 115.1, 115.3, 408.12, 412.8
Public Assistance to Adults (PAA)
 categorical eligibility through, 115.1–115.3
 changes to, 410.34, 420.10
 effects on food stamp benefits, 200.41
 and immigrants, 120.34

Food Stamp Manual Index

- as means tested program, 210.36
 - reporting requirements, 420.11
 - as unearned income, 210.33
 - Public Law 103-286, 211.3
 - Public Law 104-193, 211.3
 - Public Law 104-204, 200.41, 211.3
 - Public Law 93-66, 212.3
- ## R
- Radiation Exposure Compensation Act of 1990, 200.41, 211.3
 - railroad retiree's
 - allowable deductions, 212.3
 - treatment of income, 210.33, 212.3
 - Railroad Retirement Act, 100.7, 109.23, 120.34, 212.3
 - recertification
 - calculations, 213.2
 - general procedures for, 440.2
 - interviews for, 440.4
 - period for, 410.5
 - requirements for, 410.1
 - timely application, 440.6–440.8
 - unpaid claims, 490.18
 - verifications required, 405.9, 408.7–408.8, 440.5
 - records
 - access by household members, 403.4
 - and release of, 403.3
 - reduction of benefits. *See* adverse action
 - Refugee Education Assistance Act of 1980, 120.5, 120.10
 - refugees, 120.3, 120.5, 120.14, 120.37
 - rehabilitation centers
 - representatives of, 109.53, 109.58, 404.4
 - responsibilities of, 109.57–109.59
 - violations by, 109.59
 - rehabilitation program residents
 - authorized representative for, 109.53, 109.58
 - defined, 109.52
 - eligibility of, 100.7, 404.4
 - expedited services, 109.54
 - payments to rehabilitation centers, 109.56
 - verifications required, 109.51
 - work requirements, 130.5
 - reimbursements, 211.3
 - repayments, 211.3
 - reporting changes. *See* changes to food stamp households
 - representatives. *See also* head of household
 - disqualification of, 404.7
 - of food stamp household, 404.3
 - of Group living arrangement residents, 109.24, 404.5
 - of homeless shelter residents, 404.6
 - at interviews, 402.2, 402.4
 - program violations by, 404.6
 - of rehabilitation program residents, 109.53, 109.58, 404.4
 - responsibilities of, 404.3
 - restrictions of, 404.6
 - residency requirements
 - for food stamp program, 110.1–110.3
 - of migrant workers, 122.6
 - required reporting, 420.23
 - verification of, 408.3
 - resources. *See also* income
 - of categorically eligible households, 115.3, 200.2
 - countable, 200.3
 - of disqualified individuals, 108.6, 405.5
 - excluded, 200.4
 - of farmers, 104.82–104.85
 - farm shelter as, 104.84
 - of immigrants, 120.19
 - inaccessible, 200.41
 - jointly owned, 200.32
 - maximum limits on, 200.2
 - of migrant workers, 122.8
 - of non-household members, 108.5, 200.33
 - Payment-In-Kind (PIK) payments, 104.82
 - of residents of shelters for battered women and children, 103.4
 - transfer of, 200.5–200.53
 - vehicles, 201.2
 - verifications required, 200.3, 200.43, 408.3
 - retirement accounts, 200.31
 - Retirement Survivors Disability Insurance (RSDI), 100.7
 - reverse mortgage, 211.3

S

- Sac Fox Indian Claims Agreement, 200.41
- SAVE system, 120.3
- seasonal/migrant workers. *See* migrant/seasonal farm workers
- self-employed individuals. *See also* farmers
 - earned income of, 210.32
 - excluded resources of, 200.41
 - exemption from work requirement, 130.5
 - forms required, 104.891
 - income changes, 104.892
 - income computation, 104.4–104.7, 210.32
 - resources of, 104.4
 - treatment of specific payments, 104.87
 - work requirements, 104.3, 104.87
- shelter expenses. *See* housing expenses
- shelter residents. *See* battered women and children
- shelter residents; homeless shelter residents
 - simplified reporting groups, 410.31, 420.21
- simplified reporting requirements
 - for food stamp households, 420.21
 - and impact on IPV, 480.5

Food Stamp Manual Index

- Social Security Act
 - benefits from, 200.41
 - and immigrants, 120.7
 - lists of permanent disabilities, 109.32
 - as qualifier to program, 100.7
 - Social Security Administration (SSA)
 - and food stamp program, 109.23
 - immigrant earnings reported to, 120.9
 - and joint applications, 406.9
 - referrals to for SSN, 405.3–405.4
 - role in food stamp recertification, 440.6
 - verification of SSN through, 405.8
 - Social Security Disability Insurance (SSDI), 212.3
 - Social Security Numbers
 - expedited services, 405.4
 - failure to comply, 210.34, 405.5–405.6
 - multiple numbers, 405.2
 - for newborns, 405.3–405.4
 - privacy of, 403.2
 - requirements for, 405.2
 - verifications required, 405.8, 408.3, 408.7
 - sponsors of immigrants. *See* immigrant sponsorship
 - SSDI (Social Security Disability Insurance), 212.3
 - standard deductions, 212.5, 600.3
 - Standard Utility Allowance (SUA), 214.1, 408.6, 600.3
 - State Verification Exchange System (SVES), 210.4
 - State Vocational and Applied Technology Education Program, 211.3
 - strikers
 - defined, 100.7, 101.2
 - eligibility procedure, 101.3
 - notice of adverse action, 430.4
 - unearned income of, 210.33
 - verifications required, 101.4
 - students. *See also* children
 - with children, 102.3
 - defined, 102.2
 - with educational assistance, 211.3
 - eligibility of, 102.3
 - enrollment status of, 102.6
 - excluded resources, 200.41
 - immigrant, 122.9
 - income of, 102.7, 211.3
 - work requirements, 102.5, 130.5
 - work-study programs, 102.4, 211.3
 - student-teacher training, 102.4
 - SUA (Standard Utility Allowance), 214.1, 408.6, 600.3
 - suitable employment, 130.15–130.16
 - Supplemental Security Income (SSI)
 - allowable deductions, 212.3
 - categorical eligibility through, 115.1–115.3
 - changes to, 420.10
 - effects on food stamp benefits, 200.41
 - as excluded income, 211.3
 - with food stamp program, 100.7, 109.23, 406.9
 - households receiving, 212.3
 - immigrants, 120.34
 - means tested programs, 120.36
 - prorating initial allotment, 412.8
 - records release, 403.3
 - as unearned income, 210.33
 - verifications required, 408.12
- ## T
- tax credits/refunds, 104.87
 - telephone allowance, 214.3, 600.3
 - Temporary Assistance to Needy Families (TANF), 115.1
 - Temporary Cash Assistance (TCA)
 - categorical eligibility through, 115.1, 115.3
 - changes to, 420.10
 - expedited services, 401.3
 - failure to comply, 210.36
 - with food stamp program, 102.3, 200.41, 410.34
 - as income to food stamp program, 210.33
 - as means tested program, 120.9, 210.36
 - records release to, 403.3
 - and reporting requirements, 420.11
 - and transitional food stamps, 420.12
 - as unearned income, 210.33
 - work requirements, 130.5, 130.12
 - Temporary Disability Assistance Program (TDAP)
 - categorical eligibility through, 115.1–115.3
 - certification period for, 410.34
 - changes to, 420.10
 - effects of resources on food stamp benefits, 200.41
 - expedited services, 401.3
 - and immigrants, 120.7
 - as means tested program, 210.36
 - and records release to, 403.3
 - reporting requirements, 420.11
 - as unearned income, 210.33
 - termination of benefits. *See* adverse action
 - third party payments, 210.35
 - Thrifty Food Plan, 409.4, 411.2, 600.4
 - Trade Act of 1974, 102.3
 - Trade Adjustment Assistance Act, 130.24
 - trafficking in food stamps, 490.2, 490.7
 - trafficking in persons, 120.12
 - Trafficking Victims Protection Act of 2000, 120.12
 - Transitional Food Stamps (TFS), 410.2, 410.34, 420.12
 - transportation issues, and work registration, 130.6
 - treatment centers. *See* rehabilitation centers
 - trust funds, 200.41
- ## U
- unclear information, 420.8
 - unearned income
 - changes in, 420.23
 - examples of, 210.31

Food Stamp Manual Index

unemployment compensation
 as unearned income, 210.33
 work requirements, 130.5, 130.12
The Uniform Relocation Assistance and Real-Property
 Acquisition Policy Act of 1970, 200.41, 211.3
USDA (United States Department of Agriculture),
 104.87, 403.2

utilities
 allowance policy, 214.1, 214.5
 determining actual amount, 214.4
 sharing costs of, 214.2
 verifications required, 408.3

V

vehicles, 200.41, 201.2
vendor payments
 and deductions, 213.4
 as income, 211.3
verifications
 for bankruptcy, 104.891
 of categorical eligibility, 408.12
 for changes in food stamp benefits, 420.6–420.7
 of citizenship, 120.2
 customer responsibilities to provide, 408.9–408.11
 of drug and alcohol treatment center residents
 eligibility, 109.5
 of expenses, 408.3
 of food stamp household, 100.9, 120.7–120.8, 408.3,
 408.6
 Group living arrangement (GLA), 109.22
 income, 210.4, 408.3
 mandatory, 408.2–408.4
 on questionable information, 408.5
 recertification, 405.9, 408.7–408.8, 440.4, 440.5
 of resources, 200.3, 200.43, 408.3
 of Social Security Numbers, 405.8, 408.3, 408.7
 of strike situations, 101.4
 types of, 408.9–408.11
veterans, 100.7
 allowable deductions, 212.3
 with educational assistance, 211.3
 eligibility for program, 109.31, 109.33
 in Group living arrangement, 109.23
 immigrant status, 120.10
 of overseas military, 120.10
 surviving spouses and children, 109.3
 unearned income, 210.33
Veterans Administration (VA), 100.7, 109.23, 109.31,
 212.3
Veterans' Benefits Improvement and Health Care
 Authorization Act of 1986, 211.3
violations against food stamp program. *See* program
 violations

voluntary quit
 determination of, 130.18–130.20
 effects on program eligibility, 130.18
 ending disqualification for, 130.23
 good cause, 130.21
 verifications required, 130.22

W

waiting period
 for immigrants, 120.5
 for verifications, 212.12
Wartime Relocation of Civilians, 211.3
WIC (Women, Infants and Children), 200.41
Workforce Investment Act, 130.24, 200.41, 210.31,
 211.3
Work Opportunities, 102.3, 102.4
work place conditions, 130.21
work requirements. *See also* FSET (Food Stamp
 Employment and Training Program)
 categorical exemptions, 130.7
 exemptions from, 104.3, 130.4–130.7
 failure to comply, 130.12–130.14
 general procedures for, 130.3
 for migrant/seasonal workers, 122.7
 non-compliance, 210.34
 and reduction in work effort, 130.18–130.21
 for students, 102.5
 and voluntary quit, 130.18–130.21
 work place conditions, 130.15–130.16
work-study programs, 102.3, 102.4