908.1 Potential Income Defined

A. Potential income is income that may be available to the assistance unit if the customer takes actions necessary to receive the income

B. There must be reasonable expectation that the applicant or customer would be eligible for the potential income

908.2 Exploring Potential Income

A. Case managers must explore potential income at application, interim change, or recertification, and inform the applicant or customer of their obligation to:

1. File for the potential income

2. Provide the local department with written proof of filing

3. Report receipt of income with 10 days of receipt, or

4. Provide proof of denial of the income

B. If the applicant or recipient fails to take the requested actions in regard to potential income, deny the application or terminate the active case

908.3 Examples of Potential Income:

A. Local, state, or federal benefits, such as but not limited to:

1. Social Security Retirement, Survivors, Disability Insurance (RSDI)

2. Supplemental Security Insurance (SSI)

3. Retirement benefits from prior employers

4. Veteran benefits

5. Unemployment insurance

6. Worker's Compensation, or

B. Private benefits, such as but not limited to:

1. Sick payments from an employer
2. Hospital insurance payments

3. Annuity payments

C. Most benefit income is counted as unearned income. However, in cases where the income is from **an employer and taxes are deducted count the benefit income as earned income** and give the allowable deductions.

Reminder: There is no Supplemental Nutrition Assistance Program requirement to file for potential income.

**EXAMPLES:**

Example 1. Ms. Reevers just began receiving TCA for herself and son because of her illness. It has now been determined that her illness is permanent, preventing her from returning to work. Ms. Reevers must be referred to Disability Advocacy Program to apply for Social Security Disability (SSDI) and SSI benefits. There may also be benefits from her previous employer to explore.

Example 2. Ms. Gavin is applying for TCA for herself and her daughter because she is ill. The sick benefits she was receiving from her employer for the past 2 months ended. Her doctor advised her she can return to work in a month. Although Ms. Gavin has a disability, it is temporary. She would not have potential income for disability payments from Social Security and should not be referred there.

Example 3. Ms. Kodak has supported herself and her son for many years as a home-based daycare provider. Her landlord has advised her that he has sold the property and she must move. Ms. Kodak could not relocate her business to her new address. She is applying for TCA. Ms. Kodak was self-employed and does not have the potential to receive unemployment.

**ADDITIONAL INFORMATION**

- Application - Application Process
- Financial Eligibility – Earned Income
- Financial Eligibility – Unearned Income