

MANUAL MATERIAL TRANSMITTED					
MANUAL: INCOME MAINTENANCE			CHANGE NUMBER: 13		
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DATE: November, 1995			TO: All Income Maintenance Manual Holders		

Changes are being made as follows:

1. Section 8.3 now reflects that only one signature is required for attesting to citizenship and alien status for the FS Program.
2. Section 10.3,L was corrected to show that child support paid to an AFDC/U recipient who also receives Food Stamps, is excluded as income WHETHER IT IS REDIRECTED OR NOT. Only the amount refunded to the client by CAO is counted as income. The same policy applies to current support and arrearages. We realize that this policy benefits those AFDC/U recipients who refuse to redirect child support to CAO, but the Regional FCS Office has assured us that this is the correct policy. The problem is with the language of the FS regulations. The regulations do not say that redirected child support payments are excluded. Instead, they say that child support payments which must be redirected are excluded.

Since all AFDC/U recipients who receive child support are required to redirect them, the amount is excluded whether actually redirected to CAO or not.

3. Section 10.3,000 is a new entry for spousal support. Other items in the chart were simply renumbered and have no changes except for item DDDD (current designation) which was formerly item CCCC.
4. A FS income exclusion was added in item PPP, SSI income.
5. Instructions for determining the amount of monthly income when a full month's income is not anticipated were added to Sections 10.4, 10.5 and 10.6.

Questions should be directed to the IM Policy Unit in the Office of Family Support.

### 8.3 CITIZENSHIP AND ALIEN STATUS

To be eligible to receive Food Stamps, AFDC/U or Medicaid, the individual must be a resident of the United States, as a citizen or in a qualifying alien status. See Chapter 18 for instructions regarding citizenship, alien status and refugees.

Section III of the ES-2 provides spaces for signatures to attest to the citizenship or alien status of each individual in the benefit group. Policy governing who must sign in the spaces is as follows:

#### A. FOOD STAMPS

The applicant signs his own name once. This one signature is sufficient for the entire benefit group.

#### B. AFDC/U AND MEDICAID

Each member of the benefit group who is 18-years-old or older, must sign his own name attesting to his own citizenship or alien status.

For members under age 18, the parent, or other responsible adult, with whom the child lives, signs his own name to attest to the citizenship or alien status of the child. If the child does not live with an adult, the child must sign for himself.

#### 8.4 COOPERATION WITH QUALITY ASSURANCE (QA)

A recipient of Food Stamps, AFDC/U and/or Medicaid is required to cooperate with Quality Assurance (QA) if selected for a QA review.

When a client refuses to participate or cooperate in the review, the benefit for which the QA review was attempted must be stopped after proper notice.

The QA Reviewer advises the county office by memorandum when a client refuses to cooperate. The memorandum includes the information needed to complete the QA review.

If the client reapplies before the review period ends, the benefit must not be approved until the client agrees to cooperate and takes all steps necessary for the QA Reviewer to complete the review. When applicable, the Worker notifies the QA Reviewer by memorandum that the individual has reapplied and wishes to cooperate in the QA review.

If the individual reapplies after the QA review period expires, the benefit may be approved only if the client supplies all information previously required by QA, as well as that needed to establish current eligibility.

The QA review periods are as follows:

- Food Stamps: October to the following September.
- AFDC/U: October to the following September.
- Medicaid: October to the following March;  
April to the following September.

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SOURCE OF INCOME	CONSIDERED AS INCOME FOR:		
	FOOD STAMPS	AFDC/U, DEEMED AFDC/U, TM, QC, P.L. PW AND CHILDREN, GA FOR DA, AFDC/U- RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI- RELATED MEDICAID

J. AMERICORPS (Continued)			
2. Reimburse- ments	2. No	2. No	2. No
K. CASH CONTRIBUTIONS FROM:			
1. Individuals	1.	1.	1.
a. Not For Shared Household Expenses	a. Unearned	a. Unearned	a. Unearned
b. For Shared Household Expenses	b. No	b. No	b. No
2. Charitable Organizations	2. No, unless the amount exceeds \$300 in a federal fiscal quarter. If so, the amount over \$300 is counted as unearned in the month of receipt. A federal fiscal quarter is defined as a period of three consecutive calendar months beginning with January, April, July or October.	2. Unearned	2. Unearned

SOURCE OF INCOME	CONSIDERED AS INCOME FOR:		
	FOOD STAMPS	AFDC/U, DEEMED AFDC/U, TM, QC, P.L. PW AND CHILDREN, GA FOR DA, AFDC/U- RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI- RELATED MEDICAID

<p>L. CHILD SUPPORT</p> <p>NOTE: Separate entry for Spousal Support</p> <p>1. Current</p>	<p>1.</p> <p>a. AFDC/U Recipients</p> <p>When redirected, only the amount refunded to the client by CAO is counted as income. When not redirected to CAO, no portion is counted as income.</p> <p>b. All Others</p> <p>Unearned</p>	<p>1. Unearned. For AFDC/U and P.L. cases, the first \$50 per month of child support is excluded in all steps of the eligibility process. See 10.5,B for special requirements concerning child support for AFDC applicants.</p> <p>All child support payments are income for AFDC/U when testing the gross income against 185% of Need. When the client meets this test and is income eligible, child support payments which are redirected to CAO by the absent parent or the caretaker relative, or which must be repaid to CAO are not counted.</p>	<p>1. Unearned</p> <p>If the client is a disabled child, 1/3 of child support received is deducted.</p>
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SOURCE OF INCOME	CONSIDERED AS INCOME FOR:		
	FOOD STAMPS	AFDC/U, DEEMED AFDC/U, TM, QC, P.L. PW AND CHILDREN, GA FOR DA, AFDC/U-RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI-RELATED MEDICAID
2. Arrearages	2. a. AFDC/U Recipients  When redirected, only the amount refunded to the client by CAO is counted as income. When not redirected to CAO, no portion is counted as income.  b. All Others  Unearned	2. Unearned	2. Unearned



SOURCE OF INCOME	CONSIDERED AS INCOME FOR:		
	FOOD STAMPS	AFDC/U, DEEMED AFDC/U, TM, QC, P.L. PW AND CHILDREN, GA FOR DA, AFDC/U-RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI-RELATED MEDICAID
<p>EEE. REPLACE- MENT OF PROPERTY BENEFITS</p> <p>(From insurance companies, federal or state agencies, public or private organizations or other individuals.)</p>	No, when it is received for the purpose of replacing or repairing an asset which is lost, stolen or damaged. If it is not used for the above purpose, it is counted as a lump sum payment.	No, when it is received for the purpose of replacing or repairing an asset which is lost, stolen or damaged. If it is not used for the above purpose, it is counted as a lump sum payment.	No, when it is received for the purpose of replacing or repairing an asset which is lost, stolen or damaged. If it is not used for the above purpose, it is counted as a lump sum payment.
FFF. RETIREMENT BENEFITS	Unearned. Count balance after subtracting mandatory payroll deductions.	Unearned. Count balance after subtracting mandatory payroll deductions.	Unearned. Count gross.
GGG. RSDI (Retirement, Survivors, Disability Insurance)	Unearned. Count the amount actually received plus any amount deducted for Medicare, if applicable.  <b>NOTE:</b> See SSI for exclusion of fees collected by some organizations. Applies only when RSDI is based on disability.	Unearned. Count the amount actually received plus any amount deducted for Medicare, if applicable.	Unearned. Count the amount actually received plus any amount deducted for Medicare, if applicable.
HHH. ROOMER/ BOARDER PROVIDER INCOME	Earned, Self-employment	Earned, Self-Employment	Earned, Self-Employment
III. ROYALTIES	Unearned	Unearned	Unearned
JJJ. RSVP	See Domestic Volunteer Act	See Domestic Volunteer Act	See Domestic Volunteer Act

SOURCE OF INCOME	CONSIDERED AS INCOME FOR:		
	FOOD STAMPS	AFDC/U, DEEMED AFDC/U, TM, QC, P.L. PW AND CHILDREN, GA FOR DA, AFDC/U- RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI- RELATED MEDICAID
KKK. SALE OF PROPERTY - INCOME FROM	No, unless received in periodic installments; if so, it is unearned income.	No, unless received in periodic installments; if so, it is unearned income.	No, unless received in periodic installments; if so, it is unearned income.
LLL. SCORE	See Domestic Volunteer Act	See Domestic Volunteer Act	See Domestic Volunteer Act

SOURCE OF INCOME	CONSIDERED AS INCOME FOR:		
	FOOD STAMPS	AFDC/U, DEEMED AFDC/U, TM, QC, P.L. PW AND CHILDREN, GA FOR DA, AFDC/U-RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI-RELATED MEDICAID
MMM. SICK BENEFITS FROM EMPLOYER	Unearned. Count balance after subtracting mandatory payroll deductions.	Earned. <b>EXCEPTION:</b> Any portion attributed to the employee's own contribution is unearned income.	Unearned. <b>EXCEPTION:</b> Sick pay received from an employer or third party, within the first 6 months of the last day worked, is earned income. However, any portion of the above sick pay that is attributed to the employee's own contribution is considered unearned income.
NNN. SOCIAL SECURITY PAYMENTS	Unearned. See RSDI.	Unearned. See RSDI.	Unearned. See RSDI.
OOO. SPOUSAL SUPPORT OR ALIMONY  Note: Separate entry for Child Support	Unearned	Unearned	Unearned

SOURCE OF INCOME	CONSIDERED AS INCOME FOR:		
	FOOD STAMPS	AFDC/U, DEEMED AFDC/U, TM, QC, P.L. PW AND CHILDREN, GA FOR DA, AFDC/U-RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI-RELATED MEDICAID

PPP. SSI (SUPPLEMENTAL SECURITY INCOME)	Unearned. Fees collected by a qualified organization for acting as the client's representative payee are excluded. To qualify, the organization must be a community-based, non-profit social agency, bonded or licensed by the State. Exclusion is limited to the lesser of 10% of the SSI benefit or \$25/month, except DA & A's. For DA & A's, the limit is the lesser of 10% or \$50/month.	No	No
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SOURCE OF INCOME	CONSIDERED AS INCOME FOR:		
	FOOD STAMPS	AFDC/U, DEEMED AFDC/U, TM, QC, P.L. PW AND CHILDREN, GA FOR DA, AFDC/U- RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI- RELATED MEDICAID

<p>QQQ. THIRD-PARTY PAYMENTS</p>	<p>No. The entire amount of vendor payments for transitional housing for the homeless is excluded.</p> <p>Housing assistance payments made to a third party on behalf of people residing in temporary housing are excluded as income when the temporary housing lacks cooling or refrigeration facilities.</p> <p><b>EXCEPTION:</b> When the payments are made from funds normally payable to the benefit group, the income is unearned.</p> <p><b>EXAMPLE:</b> An AFDC/FS recipient who is on vendor payments and for whom the Department is making payments, will have the AFDC payment counted as income.</p>	No	No
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SOURCE OF INCOME	CONSIDERED AS INCOME FOR:		
	FOOD STAMPS	AFDC/U, DEEMED AFDC/U, TM, QC, P.L. PW AND CHILDREN, GA FOR DA, AFDC/U-RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI-RELATED MEDICAID
QQQ. THIRD - PARTY PAYMENTS (Continued)	<b>EXAMPLE:</b> A woman's ex-husband makes the house payment directly to the bank because he is court-ordered to do so. The amount he is court-ordered to pay is not income.		
RRR. TRUST ACCOUNT DISBURSEMENTS	Unearned	Unearned	Unearned
SSS. UCI (Unemployment Compensation)	Unearned	Unearned	Unearned
TTT. UNIFORM GIFTS TO MINORS ACT (Income Disbursements)	Unearned	Unearned	Unearned
UUU. UNSTATED INCOME (See Definitions)	No	No	Unearned. See program sections.
VVV. UNIVERSITY YEAR OF ACTION	See Domestic Volunteer Act	See Domestic Volunteer Act	See Domestic Volunteer Act
WWW. URBAN CRIME PREVENTION PROGRAM	See Domestic Volunteer Act	See Domestic Volunteer Act	See Domestic Volunteer Act
XXX. U.S. ACTION AGENCY (Payments To Volunteers)	No	No	Unearned
YYY. U.S. SAVINGS BONDS	No	No	Unearned, when the bond can be cashed and it was received as a gift. Otherwise, no.
ZZZ. VACATION PAY	See Employment	See Employment	See Employment



SOURCE OF INCOME	CONSIDERED AS INCOME FOR:		
	FOOD STAMPS	AFDC/U, DEEMED AFDC/U, TM, QC, P.L. PW AND CHILDREN, GA FOR DA, AFDC/U-RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI-RELATED MEDICAID
AAAA. VETERAN'S COMPENSATION OR PENSION	Unearned	Unearned	Unearned
BBBB. VISTA	See Domestic Volunteer Act	See Domestic Volunteer Act	See Domestic Volunteer Act
CCCC. WIC	No	No	No
DDDD. WINNINGS (Prizes, Awards, Lottery, Bingo, Gambling, etc.)	Unearned	Unearned, treated as a lump sum payment.	Unearned, treated as a lump sum payment.
EEEE. WVHA (WV Housing Authority)	No, unless a <u>rent</u> supplement is paid directly to the client or to the <u>utility</u> provider. If so, it is counted as unearned income.	No	No

SOURCE OF INCOME	CONSIDERED AS INCOME FOR:		
	FOOD STAMPS	AFDC/U, DEEMED AFDC/U, TM, QC, P.L. PW AND CHILDREN, GA FOR DA, AFDC/U-RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI-RELATED MEDICAID
<p>FFFF. WORK AND TRAINING (W &amp; T) PAYMENTS</p> <p>1. Earnings</p> <p>2. Incentive Payments, Allowances:</p> <ul style="list-style-type: none"> <li>- Work-Related Expenses Or Supportive Services</li> <li>- CWEP (As long as client is participating in CWEP)</li> <li>- JOIN work and travel stipend</li> <li>- HRDF/OET</li> <li>- Child Care</li> <li>- Transportation</li> </ul>	<p>* If paid with JTPA funds, see JTPA.</p> <p>1. Earned</p> <p>2. No, as long as they are reimbursements.</p>	<p>* If paid with JTPA funds, see JTPA.</p> <p>1. Earned</p> <p>2. No, as long as they are reimbursements.</p>	<p>* If paid with JTPA funds, see JTPA.</p> <p>1. Earned</p> <p>2. No, as long as they are reimbursements.</p>
GGGG. WORKERS' COMPENSATION	Unearned	Earned, unless for a permanent, total disability, then unearned.	Unearned

## 10.4 FOOD STAMP PROGRAM

This Section contains specific instructions for determining countable income and the amount of the Food Stamp benefit.

### A. BUDGETING METHOD

For the purpose of arriving at the amount of income available to the benefit group, it is first necessary to determine which month's income is used in the calculation.

**NOTE:** Treatment of income of persons employed under an annual contract and of migrant farm workers with seasonal employment requires special instructions. Consult the Table of Contents for Special Situations for the Food Stamp Program.

Procedures used to determine the monthly amount of income are the same for all benefit groups, whether or not the case participates in the QR process. The only difference is that benefit groups required to QR must report all earned and unearned income received in the two (2) months prior to the month the report is due. Only the earned income received in the month prior to the month the report is due must be verified.

For QR and non-QR cases, income is projected. For QR cases, the projected amount is based on information reported on the QR form.

For both groups, if the client does not report any anticipated change in the source or amount of income, reported income from each source is averaged and converted to a monthly amount. Averaged and converted income from all earned income sources is added together. Averaged and converted income from all unearned income sources is also added together. This process determines the total monthly earned and unearned income which is projected for the next quarter (QR cases), or until a change is reported (non-QR cases). For QR cases, only unearned income and verified earned income from the first and/or second month prior to the month the QR form is due is used in this process.

Any client who reports an anticipated change in income will have his income projected based on that change.

The following steps are used to determine projected monthly income:

Step 1: Determine each income source.

- Step 2: Determine the amount and frequency of income from each income source.
- Step 3: Calculate the average income from each income source by adding the income received from the source and dividing it by the number of times the income was received.

**NOTE:** If the QR client reports earned and unearned income and verifies earned income for the two months immediately preceding the month the QR form is due, the average is computed using income from both months.

**NOTE:** When income is received at one time for more than one month, divide the income by the number of months for which the income is intended. This prorated amount is the monthly income which is used; it is not converted with additional calculations.

- Step 4: Convert the averaged amount of income from each source to a monthly amount as follows:
- Convert WEEKLY income by multiplying it by 4.3.
  - Convert BIWEEKLY (every 2 weeks) income by multiplying it by 2.15.
  - Convert SEMI-MONTHLY (twice per month) income by multiplying it by 2.

**NOTE:** When the client is not expected to receive a full month's income, the averaged amount of income is multiplied by the number of times it is anticipated that it will be received.

**EXAMPLE:** A woman begins working on the second Monday of a month. She earns \$200/week and is paid every Friday. Her average weekly pay is \$200. For the first month she has earnings, she expects to be paid 3 times. Her income for the month is  $\$200 \times 3 = \$600$ . A change must be made for the anticipated income from the second month of her employment.

- Step 5: Add together all converted earned income to determine the total monthly projected earned income.

Step 6: Add together all converted unearned income to determine the total monthly projected unearned income.

**EXAMPLE:** An applicant family has the following income:

- Gross earnings of \$700 total. Paid four (4) times. Paid weekly.
- UCI benefits of \$150. Paid twice. Paid every 2 weeks.
- Gross earnings under an annual contract of \$1200/year.



## 10.5 AFDC/U

This Section contains specific instructions for determining countable income and the benefit level for AFDC/U.

### A. BUDGETING METHOD

For the purpose of arriving at the amount of income available to the benefit group, it is first necessary to determine which month's income is used in the calculation.

**NOTE:** Treatment of income of persons employed under an annual contract and of migrant farm workers with seasonal employment requires special instructions. Consult the Table of Contents for Special Situations for AFDC/U.

Procedures used to determine the monthly amount of income are the same for all benefit groups, whether or not the case participates in the QR process. The only difference is that benefit groups required to QR must report all earned and unearned income received in the two (2) months prior to the month the report is due. Only the earned income received in the month prior to the month the report is due must be verified.

For QR and non-QR cases, income is projected. For QR cases, the projected amount is based on information reported on the QR form.

For both groups, if the client does not report any anticipated change in the source or amount of income, reported income from each source is averaged and converted to a monthly amount. Averaged and converted income from all earned income sources is added together. Averaged and converted income from all unearned income sources is also added together. This process determines the total monthly earned and unearned income which is projected for the next quarter (QR cases), or until a change is reported (non-QR cases). For QR cases, only unearned income and verified earned income from the first and/or second month prior to the month the QR form is due is used in the process.

Any client who reports an anticipated change in income will have his income projected based on that change.

The following steps are used to determine projected monthly income:

Step 1: Determine each income source.

- Step 2: Determine the amount and frequency of income from each income source.
- Step 3: Calculate the average income from each income source by adding the income received from the source and dividing it by the number of times the income was received.

**NOTE:** If the QR client reports earned and unearned and verifies earned income for the months immediately preceding the month the QR form is due, the average is computed using income from both months.

**NOTE:** When income is received at one time for more than one month, divide the income by the number of months for which the income is intended. This prorated amount is the monthly income which is to be used; it is not converted with additional calculations.

- Step 4: Convert the averaged amount of income from each source to a monthly amount as follows:

- Convert WEEKLY income by multiplying it by 4.3.
- Convert BIWEEKLY (every 2 weeks) income by multiplying it by 2.15.
- Convert SEMI-MONTHLY (twice per month) income by multiplying it by 2.

**NOTE:** When the client is not expected to receive a full month's income, the averaged amount of income is multiplied by the number of times it is anticipated that it will be received.

**EXAMPLE:** A woman begins working on the second Monday of a month. She earns \$200/week and is paid every Friday. Her average weekly pay is \$200. For the first month she has earnings, she expects to be paid 3 times. Her income for the month is  $\$200 \times 3 = \$600$ . A change must be made for the anticipated income from the second month of her employment.

- Step 5: Add together all converted earned income to determine the total monthly projected earned income.



Step 6: Add together all converted unearned income to determine the total monthly projected unearned income.

**EXAMPLE:** An applicant family has the following income:

- Gross earnings of \$700 total. Paid four (4) times. Paid weekly.
- UCI benefits of \$150. Paid twice. Paid every 2 weeks.
- Gross earnings under an annual contract of \$1200/year.



## 10.6 GENERAL INCOME INFORMATION FOR MEDICAID COVERAGE GROUPS

The following sections contain income information about most Medicaid coverage groups. HCB and MR/DD Waiver cases are included in Chapter 17, along with information about individuals receiving nursing home and ICF/MR services. Also not found in the following sections, is income information about children who receive Adoption Assistance or Foster Care payments. These cases are the responsibility of the Bureau of Community Support.

The coverage groups included in this Chapter are listed in the same order they appear in Chapter 16, with the following exceptions:

- Income information about all Qualified Children, regardless of birthdate, is found in Section 10.10.
- Income information about all Poverty-Level Children, regardless of age, is found in Section 10.12.
- Income information about the Newborns of Categorically and Medically Needy Women is found in Section 10.13.
- Income information about QMB's and SLIMB's was combined in Section 10.16.

### A. UNCOMPENSATED TRANSFERS OF INCOME

When any Medicaid recipient is receiving nursing home services or is a member of an HCB Waiver benefit group (See Chapter 17), a penalty may be applied for an uncompensated transfer of resources, including income or a stream of income. The policy and procedures related to this process are explained in Chapter 17.

The policy applies only to uncompensated transfers which occurred on or after 8/11/93.

### B. BUDGETING METHOD

**NOTE:** Treatment of the income of persons employed under an annual contract and of migrant farm workers with seasonal employment requires special instructions. Consult the Table of Contents for Special Situations for each Medicaid coverage group, for those employed under an annual contract. See item C below for migrant farm workers.

Unless information to the contrary is shown in the remaining sections of this Chapter, income the client expects to receive is projected for the next month or for the Period of

Consideration (POC) to determine eligibility. An average amount of income from each source is determined and converted to a monthly amount. Averaged and converted income from all earned income sources is added together. Averaged and converted income from all unearned income sources is also added together. This process determines the total monthly earned and unearned income which is used until a change is reported.

Any client who reports an anticipated change in income, will have his income projected based on that change.

The following steps are used to determine projected monthly income:

Step 1: Determine each income source.

Step 2: Determine the amount and frequency of income from each source.

Step 3: Calculate the average income for each source by adding the income received from the source and dividing it by the number of times the income was received.

**NOTE:** When income is received at one time for more than one month, divide the income by the number of months for which the income is intended. This prorated amount is the monthly income to be used; it is not converted with additional calculations.

Step 4: Convert the averaged amount of income from each source to a monthly amount as follows:

- Convert WEEKLY income by multiplying it by 4.3.
- Convert BIWEEKLY (every 2 weeks) income by multiplying it by 2.15.
- Convert SEMI-MONTHLY (twice per month) income by multiplying it by 2.

**NOTE:** When the client is not expected to receive a full month's income, the averaged amount of income is multiplied by the number of times it is anticipated that it will be received.

EXAMPLE: A woman begins working on the second Monday of a month. She earns \$200/week and is paid every Friday. Her average weekly pay is \$200. For the first month she has earnings, she expects to be paid 3 times. Her income for the month is  $\$200 \times 3 = \$600$ . A change must be made for the anticipated income from the second month of her employment.

Step 5: Add together all converted earned income to determine the total monthly projected earned income.

