

MANUAL MATERIAL TRANSMITTED					
MANUAL: INCOME MAINTENANCE			CHANGE NUMBER: 178		
DELETE			INSERT OR CHANGE		
PAGES	CHAPTER	DATED	PAGES	CHAPTER	DATED
47	10	12/96	47	10	1/01
48	10	6/97	48	10	1/01
49	10	12/96	49	10	1/01
50 - 54	10	12/97	50 - 54	10	1/01
			54a - 54b	10	1/01
55 - 57	10	12/96	55 - 57	10	1/01
			58	10	8/95
DATE: DECEMBER, 2000 TO: ALL INCOME MAINTENANCE MANUAL HOLDERS					

This change is being made to clarify two policy issues regarding eligibility for the Food Stamp Standard Utility Allowance (SUA).

The following changes were made:

References to benefit group were changed to AG where appropriate throughout all changed sections.

Section 10.4,B,7: An incorrect Chapter reference for the elderly or disabled policy was corrected.

Section 10.4,B,7,a: Clarifying statements and items were added. Condominium fees, regardless of the purpose of the fees, was added as a shelter cost.

Section 10.4,B,7,b: Heating oil was added for clarification. In addition, fees charged by the utility provider for initial installation of the utility was added. This is not a change, but the item was somehow omitted from the Manual.

Section 10.4,B,7,c: Changes were made to clarify receipt of LIEAP, as it relates to eligibility for the SUA. The option of choosing a prorated SUA when utility expenses are shared and include a heating or cooling expense has been eliminated due a general misunderstanding and misapplication of the policy, with resulting QA errors. Effective with this change, any FS AG which shares utility expenses with others in the same residence must claim actual expenses. The only exception to this is for LIEAP recipients in a shared residence situation. Please read this policy carefully. This policy is to be applied to applications beginning January, 2001, or, for active AG's, at the next redetermination or client contact, whichever occurs first.

Questions should be addressed to the OFS Policy Unit.

March and April is overdue, the client may only receive a deduction for \$600. He may receive the \$80 a month deduction only until the \$600 is paid.

When a bill becomes overdue during the certification period, the deduction continues until the end of the certification period, unless the client reports the overdue bill.

Ongoing medical expenses that are regularly incurred on a weekly, bi-weekly or semi-monthly basis must be converted to a monthly amount using the following conversion figures:

Weekly - Multiply by 4.3

Bi-weekly - Multiply by 2.15

Semi-Monthly - Multiply by 2

(3) Estimated and Actual Expenses

Clients may choose to use a combination of estimated and actual expenses.

c. Medical Deduction for Residents of Group Living Facilities

Allowable medical expenses which can be identified apart from food and shelter payments are deducted.

d. Categorically Eligible, Retroactive SSI Approvals

When all of the following conditions are met, the AG must have benefits restored to compensate the client for a medical deduction he did not receive:

- The AG becomes Categorically Eligible due to retroactive approval of SSI benefits.
- The individual approved for SSI is entitled to a medical deduction.
- The client started receiving Food Stamps prior to being found eligible for SSI.

- Interest on mortgage payments
- Condominium fees regardless of purpose for the fee
- Property taxes and special tax assessments on the structure and lot required by State or local law. This does not include assessments such as police and fire fees, unless the fee is based on property valuation.
- Insurance on the structure and lot. This does not include insurance on furniture or personal belongings.

If the insurance cost on the structure and the cost on the personal belongings/furniture cannot be identified separately, the entire insurance payment is allowed.

- Cost of repairing the home which was damaged or destroyed due to a natural disaster such as a fire or flood. This does not include charges that will be or have been reimbursed from any source such as insurance, private agency, etc.
- A car payment when the AG lives in the vehicle
- Insurance on the vehicle itself when the AG lives in the vehicle

(1) Effect of Rent Subsidies

A rent subsidy paid directly to the client's landlord is not counted as income and is not used as a shelter deduction. A rent subsidy paid directly to the client or to the utility provider is counted as income, and the amount of the rent payment actually made from the AG's income, including income counted due to direct receipt of a rent subsidy, is used as a shelter deduction.

When HUD is recovering an overpayment by withholding money for current and future subsidies, the client's contribution increases. Such an increase is not counted as an increase in shelter costs.

(2) Residents of Group Living Facilities (GLF)

The portion of the payment made to the GLF, which can be identified as being for shelter or utilities, is used as a shelter deduction. If

c. Standard Utility Allowance (SUA)

Certain AG's may choose to have the SUA used, rather than the actual costs of their utilities. The SUA is adjusted yearly to allow for fluctuations in utility costs. The current SUA is found in Appendix B.

When the AG shares a residence and any utility costs with another individual(s), the AG is ineligible for the SUA. See item (2) below for AG's with a shared residence and shared utility expenses.

EXCEPTION: See item (1)(c) below for LIEAP recipients with a shared residence and utility expenses.

The AG may change from the SUA to actual utility costs or vice-versa at each redetermination.

When the SUA is used, the Worker must still determine the actual utility costs, including any met by LIEAP, and enter the amount in the data system.

(1) Who Is Eligible

To be eligible for the SUA, the AG must meet the criteria in items (a) and (b) or in item (c).

(a) Heating or Cooling Costs

The AG must have heating or cooling costs billed on a regular basis. This does not mean that there must be a monthly billing for heating or a monthly billing for cooling throughout the year. It means that there must be a regular bill for heating during the heating season or a regular bill for cooling, during the appropriate season.

Heating expenses include, but are not limited to: the cost of electricity, gas, oil, coal, wood and kerosene. Such heating costs must be payments for the fuel item itself, not for related costs.

Related costs are those expenses necessary to obtain the fuel, such as when a client uses free wood, but must pay for delivery. The delivery cost alone does not qualify the client for the SUA.

- Certification periods may be set to run concurrently with the LIEAP heating season.

Any AG which receives LIEAP and also incurs out-of-pocket utility expenses may use actual costs in lieu of the SUA.

Because a LIEAP recipient may choose the SUA, whether or not he incurs any actual costs, the Worker must determine:

- If a LIEAP recipient shares a residence; and
- If others who share the residence pay or share payment of any utilities.

If both of these circumstances exist, the SUA is prorated for the LIEAP recipient who chooses the SUA. The chart below shows when the SUA of a LIEAP recipient must be prorated.

LIEAP RECIPIENT SHARES RESIDENCE	UTILITIES PAID OR SHARED BY OTHERS IN RESIDENCE	PRORATED SUA
No	No	No - Receives total amount
Yes	No	No - Receives total amount
Yes	Yes	Yes

NOTE: This is the only situation in which the SUA is prorated. Any AG which shares a residence and utilities, but does not receive LIEAP, must use actual expenses. See item (2) below.

When the SUA of a LIEAP recipient must be prorated, the following method is used:

as a LIEAP recipient. Otherwise, a recipient of LIEAP is eligible for the SUA, even if he falls into one of the groups listed below as not eligible for it.

The AG is not eligible to use the SUA, instead of actual utility costs, when any of the following situations exist:

- The AG share a residence and also shares utility costs with others in the residence. This applies regardless of which utility expense(s) the AG pays.

NOTE: See item (1)(c) above for LIEAP recipients who share a residence and utility costs.

NOTE: When the AG shares a residence with others, but pays all utility costs and shares none of the utility expenses with others in the residence, the AG may qualify for the SUA so long as all other requirements to receive the SUA are met.

- The AG is using the Homeless Shelter Standard Deduction.
- The heating or cooling costs are included in the shelter payment.
- The AG receives an excluded utility supplement and does not have heating or cooling costs in excess of the amount of the excluded supplement.
- The only heating and cooling costs billed to the AG are those for utility use in excess of a set amount.
- The heating or cooling costs are for an unoccupied home.
- AG's that live by themselves are either entitled to the entire SUA or no part of it as follows:
 - Persons who live in rental housing are eligible for the SUA, only if the amount used is separately

- There are homeowners who rent out a separate apartment in their houses or a separate residence on their property, but who share a utility meter with the renter. When the homeowner is billed for the entire cost, the homeowner is entitled to the entire SUA amount. If he charges the renter for utilities separately from the rent, on a flat rate basis, the renter is not entitled to the SUA.
- When 2 AG's rent different residences in the same building, and one is billed for all heating costs while the other is billed for all cooling costs, both AG's are entitled to the SUA.

c. Categorically Eligible, Retroactive SSI Approvals

When all of the following conditions are met, the AG must have benefits restored to compensate the client for the uncapped shelter/utility deduction he did not receive:

- The AG becomes Categorically Eligible due to retroactive approval of SSI benefits.
- The AG qualifies for the uncapped shelter/utility deduction and did not receive it.
- The client started receiving Food Stamps prior to being found eligible for SSI.

Benefits must be restored for the period for which the individual is authorized to receive SSI benefits or the date of the Food Stamp application, whichever is later.

C. DETERMINING ELIGIBILITY AND BENEFIT LEVEL

The following information describes situations encountered in determining eligibility for most benefit groups. However, there are situations which require special treatment. See Section 10.4,D.