

MANUAL MATERIAL TRANSMITTED					
MANUAL: INCOME MAINTENANCE			CHANGE NUMBER: 63		
DELETE			INSERT OR CHANGE		
PAGES	CHAPTER	DATED	PAGES	CHAPTER	DATED
19 - 22	10	1/97	19	10	1/97
33 - 36 a	10	1/97	20 - 21	10	2/97
59	10	12/96	22	10	1/97
60	10	8/95	33 - 34	10	2/97
			35 - 36 a	10	1/97
			59	10	2/97
			60	10	8/95
55	11	1/97	55	11	2/97
56 - 56 a	11	8/95	56 - 56 a	11	8/95
DATE: December, 1996			TO: All Income Maintenance Manual Holders		

This change is being made to provide information about a new SSI payment procedure and to incorporate the policy about how payments subject to such procedure are treated for Income Maintenance programs.

The background and explanatory material is contained in this DW-17 only since the Worker is not required to determine if any SSI payment meets the criteria for the new procedure. The Worker is responsible only for knowing how to treat the payments once they are issued.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), which is generally known as the welfare reform legislation, requires that past-due, monthly SSI benefits be paid directly to a "dedicated account" when all of the following conditions are met:

- The individual who is eligible for SSI is under age 18; and
- The SSI-eligible individual has a representative payee; and
- The amount of the past-due, monthly SSI benefits exceeds 6 times the maximum SSI payment for 1 person, after the State has been reimbursed for any interim assistance provided to the SSI-eligible individual.

The changes made to the Manual only include a brief description of the situations explained here. We believe the details of the policies/procedures of other agencies would be cumbersome in the actual Manual and would make needed information more difficult to find. We would be interested in knowing if you want us to continue to explain background material like this on the DW-17. Please address your comments to:

Brenda Crawford  
IM Policy Unit, OFS, WV DHHR  
State Capitol Complex, Bldg. 6, Room 749  
1900 Kanawha Boulevard, East  
Charleston, WV 25305

You may also use Interdepartmental Mail, office automation at WE#0732 or telephone (304) 558-8290. We would like responses directly from Workers, Supervisors, Coordinators, CSM's, RD's and State Office staff.

In addition, a correction to Section 10.4 that should have been made as part of Change #56, was made here.

Also, we have restored Food Stamp policy revisions made in Changes 50 and 56 in Section 10.3 that were deleted by a technical error in Change 58.

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

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	WV WORKS

BB. EMPLOYMENT	* For JTPA earnings, see JTPA.	* For JTPA earnings, see JTPA.		* For JTPA earnings, see JTPA.
1. Compensation as an Employee				
a. Wages	a. * Earned	a. * Earned	a. Earned	a. * Earned
b. Salaries	b. * Earned	b. * Earned	b. Earned	b. * Earned
c. Commissions	c. * Earned	c. * Earned	c. Earned	c. * Earned
d. Recurring Bonuses	d. * Earned	d. * Earned	d. Earned	d. * Earned
e. Vacation Pay When Employment Is Terminated	e. See below.	e. See below.	e. See below.	e. See below.
(1) Received in More Than One Installment	(1) Earned, if payroll taxes are withheld; unearned, if payroll taxes are not withheld.	(1) Earned if payroll taxes are withheld; unearned, if payroll taxes are not withheld.	(1) Earned, if payroll taxes are withheld; unearned, if payroll taxes are not withheld.	(1) Earned
(2) Not Withdrawn	(2) No	(2) No	(2) No	(2) Earned
(3) Received in A Lump Sum	(3) Unearned, treated as a lump sum payment.	(3) Unearned, treated as a lump sum payment.	(3) Unearned, treated as a lump sum payment.	(3) Earned, treated as a lump sum payment.
f. Advance Pay	f. Earned	f. Earned	f. Earned	f. Earned

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BB. EMPLOYMENT (Continued)				
2. Self-Employment	2. Earned. This includes the new proceeds from the sale of capital goods and equipment.	2. Earned	2. Earned	2. Earned
3. Income earned from work supplementation or supported work program	3.	3.	3.	3.
a. AFDC/U or WV WORKS check	a. Unearned	a. No	a. No	a. No
The portion of the AFDC/U or WV WORKS check that is diverted or received as a result of participation in one of the above programs.	b. Earned	b. Earned	b. Earned	b. Earned
b. Non-AFDC/U or WV WORKS check				
CC. ENERGY ASSISTANCE PAYMENTS OTHER THAN LIEAP	Unearned. EXCEPTIONS: federal energy assistance and one-time payments/allowances under a federal or state law for the costs of weaterization or ernalgency repair/replacement or unsafe/inoperative furnaces or other heating/coling devices.	No	No	No

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PPP. SSI (SUPPLEMENTAL SECURITY INCOME)	<p>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.</p> <p>Exclusion is limited to the lesser of 10% of the SSI benefit or \$25/month, except DA &amp; A's. For DA &amp; A's, the limit is the lesser of 10% or \$50/month.</p> <p><b>EXCEPTION:</b> When SSA requires the establishment of a dedicated account for past due monthly SSI payments, the amount in the dedicated fund (including interest) is not counted as income until disbursed. This applies when the amount requires SSA to deposit the funds directly in the dedicated account and when</p>	No	No	Unearned
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RRR. TRUST ACCOUNT DISBURSEMENTS	Unearned	Unearned	Unearned	Unearned
SSS. UCI (Unemployment Compensation)	Unearned	Unearned	Unearned	Unearned
TTT. UNIFORM GIFTS TO MINORS ACT (Income Disbursements)	Unearned	Unearned	Unearned	Unearned
UUU. UNSTATED INCOME (See Definitions)	No	No	Unearned. See program sections.	Unearned. Refer to 10.22,D,10
VVV. UNIVERSITY YEAR OF ACTION	See Domestic Volunteer Act	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	See Domestic Volunteer Act
XXX. U.S. ACTION AGENCY (Payments To Volunteers)	No	No	Unearned	No
YYY. U.S. SAVINGS BONDS	No	No	Unearned, when the bond can be cashed and it was received as a gift. Other- wise, no.	No
ZZZ. VACATION PAY	See Employment	See Employment	See Employment	See Employment
AAAA. VETERAN'S COMPENSATION OR PENSION	Unearned	Unearned	Unearned	Unearned
BBBB. VISTA	See Domestic Volunteer Act	See Domestic Volunteer Act	See Domestic Volunteer Act	See Domestic Volunteer Act
CCCC. WIC	No	No	No	No

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GGGG. WORKERS' COMPENSATION	Unearned	Earned, unless for a permanent, total disability, then unearned.	Unearned	Unearned
HHHH. YOUTHBUILD PROGRAM (HUD)	See JTPA	See JTPA	See JTPA	See JTPA

- Step 5: Subtract the Homeless Shelter Standard Deduction.
- Step 6: Subtract allowable medical expenses in excess of \$35.
- Step 7: Subtract the Dependent Care Deduction up to the maximums found in Appendix B.
- Step 8: Subtract the amount of legally obligated child support actually paid.
- Step 9: Calculate 50% of the remaining income and compare it to the actual monthly shelter/utility cost or shelter/SUA amount.

Step 10:

	No One Elderly or Disabled	At Least One Person Elderly or Disabled
Shelter/Utility Equal To Or Less Than Step 9.	No further computation is needed. The amount from Step 8 is the countable income.	No further computation is needed. The amount from Step 8 is the countable income.
Shelter/Utility Greater Than Step 9.	The amount in excess of 50%, not to exceed the shelter/utility cap, is deducted to arrive at countable income.	The amount in excess of 50% is deducted, without regard to the shelter/utility cap, to arrive at countable income.

Step 11: Compare the countable income to the maximum net income in Appendix A for the benefit group size. This net income test does not apply to Categorically Eligible benefit groups. See Chapter 1.

3. Determining the Amount of the Benefit

**NOTE:** The coupon allotment may calculate to \$0. However, as long as the income is below the income limit the case must not be denied.



**NOTE:** The asset limits for the Food Stamp Program, as found in Section 11.3, apply.

5. Retroactive Payments

These monies are counted as an asset when retained into the month following the month of receipt. **EXCEPTION:** When SSA requires the establishment of a dedicated account for past-due, monthly SSI payments, the amount in the dedicated fund, including interest, is an excluded asset. This applies, when based on the amount, SSA is required to deposit the funds directly in the dedicated account and when funds are deposited there at the discretion of the representative payee. See Chapter 10 for treatment of disbursements from the dedicated account.

6. Low Profit From The Sale of An Asset

In addition to assets which may be considered inaccessible according to the provisions in item 3 above, an asset which meets one of the following criteria is considered inaccessible and is, therefore, excluded because it cannot be sold for a significant return.

- The asset has an expected sale price of less than one half of the benefit group's applicable asset limit; or
- The cost of selling the asset will likely result in a return of less than one half of the benefit group's applicable asset limit. The benefit group's ownership interest must also be considered when determining the potential return.

This applies to a single asset, not to a combination of assets.

**NOTE:** This provision does not apply to vehicles; stocks, bonds and negotiable financial instruments.

**NOTE:** An asset cannot be subdivided solely to obtain an exclusion as inaccessible.

7. Burial Funds

Burial funds are excluded for Food Stamp purposes, provided they are in an irrevocable trust. Otherwise, they are assets.

Treatment of jointly owned assets becomes significant when all the joint owners are not included in the benefit group. For AFDC/U-Related Medicaid, all references to benefit group in the following item should be read as BFU.

a. All Joint Owners in the Benefit Group

If all joint owners are in the benefit group, the total equity in the asset is counted as an asset for the benefit group.

b. All Joint Owners Not in the Benefit Group

If all joint owners are not in the benefit group, the following general rules apply:

- If a non-SSI recipient parent, is in the home and is not included in the benefit group, his assets are available to his spouse and children in their entirety.