

**MANUAL MATERIAL TRANSMITTED**

**MANUAL:** INCOME MAINTENANCE

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**DATE:** November, 1997

**TO:** All Income Maintenance Manual Holders

This change eliminates the Quarterly Reporting requirements for Food Stamps, TANF and WV WORKS.

In December, a notice, Form OFS-QC-1, will be sent to all QR benefit groups to notify them they will no longer be receiving a QR form effective January, 1998.

For Food Stamps, all cases formerly required to report quarterly must now be assigned a 3-month certification period. Instead of a QR form to be sent out in January, February and March, an appointment letter will be sent calling the client in for the following month. For example, those who were to be sent a QR form in January to be returned in February will instead receive a redetermination notice for a February appointment instead. If a client fails to keep this appointment, or contact the Worker to reschedule, his case is closed, just as if he had failed to return the QR form and just as any other case would be closed for failure to complete a redetermination. See Section 2.2,B for clarification on reporting requirements.

RAPIDS will change the review dates of those QR cases automatically to February, March and April to allow for automatic scheduling of review appointments for those months.

TANF and WV WORKS cases will simply stop receiving QR forms. As TANF cases are converted to WV WORKS statewide, Family Support Specialists are expected to develop close working relationships with families in their caseloads, eliminating the need for quarterly reporting. In addition, these households are required to report changes in earned income of more than \$80 and changes in unearned income of more than \$25 within 10 days from the date the change becomes known.

Households that receive a QR form in December must still complete and submit the form by January 7, 1998. When the last QR's are cleared, the policy in Chapter 7 will be obsolete. At that time, the Chapter can be deleted from the Manual, but may be kept for informational purposes related to QA, IFM or restoration of benefits.

There are numerous references to QR throughout the manual and these references should be disregarded. As these pages are changed for other reasons, the references to QR will be eliminated.

The following Food Stamp policy changes have been made to comply with the Mickey Leland Childhood Hunger Prevention Act.

Chapter 4, Section 4.2,F,1: Allows form SSA 2853 to be acceptable verification for an SSN application for a newborn.

Chapter 10, Sections 10.3,Y and 10.4,D,7: A clarification has been made concerning the treatment of income from apprenticeships and fellowships with a work requirement.

Chapter 10, Section 10.4,A: Policy has been added concerning additional payments received on monthly and semi-monthly income.

Chapter 10, Section 10.4,B: Adds a policy statement about disallowing expenses when they have been paid for out of excluded educational income. Non-excluded educational income is counted starting in the month it is anticipated to be received.

Chapter 10, Section 10.4,D,6: Adds policy to cover contract income not paid on an annual basis.

Chapter 11, Section 11.5,A,7: New policy allows for the exclusion of accessible burial funds up to \$1,500 for each Food Stamp benefit group member. Instructions for RAPIDS work-arounds will be released by OA.

Questions should be directed to the OFS Policy Unit.





individual applies for and is determined eligible for benefits.

The Worker must determine if any member(s) of the applicant benefit group has been disqualified and the length of the disqualification period.

M. BEGINNING DATE OF ELIGIBILITY

The beginning date of eligibility is the date of application. Benefits for the initial month are prorated from the date of application, over the number of days remaining in the month.

Initial month means the first month following any period of time in which the benefit group was not participating.

**EXCEPTION:** For migrant and seasonal farm workers, the initial month is the first month following any break in certification of more than 30 days.

If a benefit group applies in WV, but received Food Stamps for the same month in another state, the beginning date of eligibility is the first day of the month following the last month of receipt from the other state.

**NOTE:** An ABAWD who loses eligibility and becomes eligible to participate after case closure must reapply and benefits are prorated from the date of meeting the requirement for regained eligibility. The Exception above still applies to ABAWD migrant and seasonal farm workers. See Section 1.3,E for reapplications not requiring a new form.

If the benefit group fails to provide the information requested on an ES-6 within the 30-day time limit, but provides it within 60 days of the original application date, the date of eligibility is the date the information was provided. See item A.

N. REDETERMINATION SCHEDULE

When Food Stamp benefits are issued under a TANF or WV WORKS case number, the redetermination period coincides with the TANF or WV WORKS redetermination.

For all other cases, the Worker decides when the redetermination is due. It may be scheduled to coincide with Medicaid or TRIP redeterminations or the LIEAP heating season. This date is entered in the data system at the time of approval and redetermination. The client's certification period must be the longest possible period, based on the following guidelines:

- One Month: Very unstable circumstances in which a change in income and/or benefit group composition is expected to occur frequently.

This includes Expedited Service cases which apply prior to the 16th of the month and do not provide the necessary verifications prior to approval.

- Up to 3 Months: Benefit groups with relatively stable circumstances, but still subject to change.

**NOTE:** Benefit groups eligible for a certification period of three months or less have their certification periods increased by one month if they are approved after the 15th day of the month of application. This does not apply to Expedited Service cases which have verification postponed, but does apply to ABAWDs.

**EXAMPLE:** If a benefit group, which is not eligible for Expedited Service, but is eligible for a 3-month certification period, applies in June and is not approved until late June (after the 15th) or early July, the certification period includes June through September.

Cases receiving a child support deduction that have not established a 3-month record of child support payments are certified for up to 3 months until a 3-month payment record is established.

An individual living in an ILC who meets the ABAWD definition and who is not working or not exempt as found in Section 9.1,A, must have an initial certification period of no longer than 3 months. After the initial 3 months, the certification period is based on individual circumstances.

- 3 Months: All non-assistance FS benefit groups with earned income must be certified for 3 months.

**NOTE:** Benefit groups eligible for a certification period of three months or less have their certification periods increased by one month if they are approved after the 15th day of the month of application. This does not apply to Expedited Service cases which have verification postponed, but does apply to ABAWDs.

- Up to 6 Months: Benefit groups in which there is little likelihood of change in unearned income and benefit group status.

- Up to 12 Months: Benefit groups consisting entirely of unemployed persons, or persons age 60 or over with stable unearned income.
- 12 Months: WV WORKS cases and those for whom a child support payment record has not been established.
- Up to 24 Months: Benefit groups consisting entirely of elderly or disabled adults with no earned income. However, a contact



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- Automatic Food Stamp Closure, WEC735P1

Received monthly, this listing identifies all Food Stamp cases with a F case number which have been closed automatically by the data system. A recording must be made on the ES-5 to indicate that the case was automatically closed.

- Monthly Food Stamp Payrolls, WES142P1

The county office receives 2 listings each month which provides the following information: case number, case name and address, Food Stamp income, number in Food Stamp benefit group, CA and SUA indicator. The listings contain the names of all cases active in the data system as of the first day of each month. In addition, all cases that are approved after the deadline date for the appropriate Program appear during the month of approval on a WEA930AP1 pick-up listing. This listing is run on a daily basis and sent to the county office.

The information on these printouts provides the Worker with a reference to all active cases and the pertinent information about the case.

#### B. REPORTING REQUIREMENTS

Changes must be reported within 10 days of the date the change becomes known to the benefit group. Form ES-FS-2 is one means by which this may be done. See item A,1.

**EXCEPTION:** The benefit group is not required to report any mass changes in federal benefits, such as the yearly increase in RSDI or SSI benefits. RSDI/SSI increases are handled by the Department in accordance with instructions in Appendix B of this Chapter. All other federal benefit cost-of-living increases are treated as any other change, except that the client is not penalized for failure to report these mass changes.

**NOTE:** This does not apply to an individual change affecting the level of a client's benefits, only to mass changes.

All benefit groups must report any change that could affect eligibility and benefit amount. These changes include, but are not limited to:

- Income;

Reporting requirements vary depending upon 2 factors -- the presence of at least 1 TANF/WV WORKS recipient in the FS benefit group and the type of income, earned or unearned, as follows:

- TANF/WV WORKS recipient included
  - Earned - more than \$80
  - Unearned - more than \$25
- Non-assistance FS benefit group
  - Earned - source, hourly rate, employment status
  - Unearned - more than \$25

- Changes in household composition;
- The benefit group moves or there is a change of address;
- A change in the amount of rent or utilities;
- A change in the amount of assets;
- Someone buys, sells or trades a vehicle;
- There is a change in a legal obligation to pay child support.

1. Timely Reporting And Follow-Up

To determine if a claim must be established or a lost benefit restored, a decision must be made as to whether or not a change was reported in a timely manner.

Reported changes are effective the month following the month they are reported.

When the client does not report in a timely manner and the change could have been made earlier, a claim may be established. See Chapter 20.

Changes must be reported within 10 days of the date the change becomes known to the benefit group. Benefits are not restored when the change which would have increased benefits is not reported within 10 days.



2. 12-Month Review of Eligibility

**NOTE:** The first cases affected by the 12-month review policy are those certified for more than 12 months beginning in October, 1996.

Cases with certification periods of more than 12 months must have a review completed by the end of the 12th month of eligibility. This review differs from the redetermination as follows:

- The 12-month review is accomplished by mail only; and
- No face-to-face interview is conducted; and
- Form ES-FS-2 is used, instead of form ES-2.

The data system automatically mails an ES-FS-2 to the affected cases. The form is mailed by the first day of the 12th month. It must be returned by the 10th day of the 12th month. The Worker must check the form after it is returned to determine if any changes are necessary. Changes reported on the ES-FS-2 are to be treated as changes reported during the certification period, not as changes reported during the completion of a redetermination, i.e., all adverse actions require 13 days advance notice.

The form is considered to be complete when all items that require a yes or no answer have one marked and appropriate detailed information is provided. Unless the client indicates on the form that the change is for one month only, the Worker must assume that the change is continuing. Verification is not requested on the ES-FS-2. If a change is reported that requires verification, it must be requested using form ES-6. Failure to provide requested verification results in case closure, after 13 days advance notice.

Failure to return a completed ES-FS-2 results in case closure, after advance notice.

When the ES-FS-2 is returned late, but is returned by the last day of the 12th month, no ES-2 is required for reapplication. Instead, the ES-FS-2 is used as the application form. Benefits are not prorated when the form is returned by the last day of the 12th month. The case must be scheduled for redetermination at the same time it would have been due had the form been returned on time.

When the ES-FS-2 is returned between the 1st day and the last day of the 13th month, no ES-2 is required for reapplication. Instead, the ES-FS-2 is used as the application form. Benefits for the 13th month must be prorated from the date the ES-FS-2 is received. The case must be scheduled for redetermination at the same time it would have been due had the form been returned on time.

When the ES-FS-2 is returned after the last day of the 13th month, full application procedures must be followed, including completion of the ES-2 and establishment of a new redetermination cycle.

C. AGENCY TIME LIMITS

The agency must act on reported changes effective with the next month's benefit, when advance notice requirements permit. Benefits must be restored to the client or repaid to the agency when changes cannot be made in a timely manner. See Chapter 20.

D. TYPES OF CHANGES

1. Change In Case Name

The case may be changed from one payee to another at the request of the individuals involved or when a change in circumstances requires it. This includes, but is not limited to, marriage, divorce, or when the payee leaves the home.

2. Change In Category Or Deprivation Factor

When the client becomes eligible for WV WORKS or SSI, Categorical Eligibility may apply. See Chapter 1.

ITEM	PROGRAMS	WHEN TO VERIFY	POSSIBLE SOURCES OF VERIFICATION
5. Good Cause For Voluntarily Quitting Employment	FS, TANF and WV WORKS	<p>FS: When an applicant quits employment within 60 days prior to the application date or a recipient quits a job at any time.</p> <p>TANF: When an applicant quits employment within 30 days prior to the application date or a recipient quits a job at any time.</p> <p>WV WORKS: When an applicant quits employment within 45 days prior to the application date or a recipient quits a job at any time.</p>	Employer's statement, grievance board decisions, statements of witnesses, BEP decision
6. Hours Worked	FS	When a benefit group member is an ABAWD	Pay stubs, written statement from employer, work record sheet, ES-17

F. ENUMERATION

ITEM	PROGRAMS	WHEN TO VERIFY	POSSIBLE SOURCES OF VERIFICATION
1. Application For SSN	All, except Medicaid CEN coverage group	Prior to approval; prior to adding an individual to the benefit group	SSA/DHS-3; written statement from SSA; for newborns only, SSA Form 2853 Enumeration at Birth form
2. SSN Of Individuals Who Have A Number	All, except Medicaid CEN coverage group	Prior to approval; prior to adding an individual to the benefit group	Social Security Card, written statement from SSA, data system
3. SSN Of Individual Referred To SSA	FS	At the redetermination following the application for an SSN	Social Security Card, written statement from SSA

SOURCE OF INCOME	CONSIDERED AS INCOME FOR:			
	FOOD STAMPS	TANF, DEEMED AFDC/U-TANF, AFDC/U MEDICAID, TM, QC, P.L. PW AND CHILDREN, AFDC/U-RELATED MEDICAID	PAC, QMB, SLIMB, QDWI, CDCS, AIDS PROGRAMS, SSI-RELATED MEDICAID	WV WORKS; DCA Eligibility
Y. EDUCATIONAL INCOME				
1. Funded Under Title IV of the Higher Education Act or Bureau of Indian Affairs	1. No	1. No	1. No	1. No
2. Funded From Other Than Title IV or Bureau of Indian Affairs	2. See below.	2. See below.	2. See below.	2. See below.
a. College Work Study (CWS)	a. Earned, unless used for educational expenses. See program section.	a. Earned, unless used for educational expenses. See program sections.	a. Earned, unless used for educational expenses. See program sections.	a. Earned, unless used for educational expenses. See program section.
b. Apprenticeships or Fellowships with a Work Requirement	b. Earned, unless used for educational expenses. See program section.	b. Earned, unless used for educational expenses. See program section.	b. Earned, unless used for educational expenses. See program section.	b. Earned, unless used for educational expenses. See program section.
c. Other Than CWS Apprenticeships or Fellowships with a Work Requirement	c. Unearned. See program section.	c. Unearned. See program sections.	c. Unearned. See program sections.	c. No
Z. EMERGENCY ASSISTANCE FROM DHHR	No	No	No	No

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

AA. EMERGENCY CHILD CARE PROVIDER INCOME				
1. Monthly Payment for Beds Maintained	1. Self-Employment	1. Self-Employment	1. Self-Employment	1. Self-Employment
2. Per Diem Rate for Each Child Placed in Shelter	2. No	2. No	2. No	2. Self-Employment
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

## 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.

**NOTE:** Monthly or semi-monthly income that is not received in the month for which it is intended due to a mail delay caused by a holiday or weekend is counted only for the month for which it is intended.

**EXAMPLE:** A client is paid semi-monthly and is due to receive a pay check on November 15 and November 30. Due to the 30th being on a Sunday, he does not receive it until December 1. Because it was due in November, it counts as November income.

For all cases, income is projected.

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 certification period, or 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 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:** 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.



special income calculations apply whether the case receives Expedited Service or not.

b. Definition of Destitute

To meet the definition of a destitute benefit group one of the following criteria must be met:

- The benefit group's only income for the month is from a terminated source. Income is considered to be from a terminated source when:

- It is received prior to the date of application; and,
- If it is normally received monthly or more frequently, it will not be received again from that same source in the month of application or in the month following the month of application;

or

If it is normally received less often than monthly, it will not be received in the balance of the month of application or in the next month.

- The benefit group's only income for the month is from a new source. Income is considered to be from a new source if:

- No more than \$25 will be received from that source by the 10th calendar day following the date of application; and,
- If it is normally received monthly or more frequently, no more than \$25 from that source was received within 30 days prior to the application date;

or

If it is normally received less often than monthly, no more than \$25 from that source was received within the last normal interval between payments.

- The benefit group's only income in the month from a terminated source is received prior to the date of application, and the benefit

group will receive no more than \$25 income from a new source within the ten days following the date of application.

**NOTE:** A migrant worker's source of income is the grower for whom the migrant is working, not the crew chief.

Travel advances from a new employer are not considered the first pay from the new source, and, therefore, do not prevent the benefit group from meeting the definition of destitute.

c. Special Income Calculations

Those benefit groups determined destitute have only the income received between the first of the month of application (or redetermination) and the date of application (or redetermination) used in the income calculations for the first month of certification (or recertification). All other Food Stamp income policy and procedures apply.

4. Income from Self-Employment

When a benefit group member or a disqualified individual(s) receives income from self-employment, instructions below must be used to arrive at the gross profit which is used to calculate countable income.

**NOTE:** Contract income which is not intended to cover a 12-month period and not paid on an hourly or piecework basis is prorated over the period it is intended to cover.

a. Determining Gross Income

**NOTE:** Gross income includes the net proceeds from the sale of capital goods or equipment.

The method used to determine monthly gross income from self-employment varies with the nature of the enterprise. It is necessary to determine which of the following types of self-employment applies to the client's situation. Once the pattern of self-employment has been determined, this is used to determine how the income is counted.

(1) Person Receiving Regular Income

These persons receive income as profit on a more or less regular schedule (weekly,

These individuals have their annual income prorated over a 12-month period. Additional earnings, such as for summer work, are added to the prorated amount during the time additional earnings are received.

Although a person may not have signed a new annual contract, he is still considered employed under an annual contract when the contract is automatically renewable, or when he has implied renewal rights. Implied renewal rights are most commonly associated with school contracts.

**NOTE:** This item does not apply during strike and disaster situations when the other party to the contract cannot fulfill it; or when labor disputes interrupt the flow of earnings specified in the contract. This item also does not apply to migrant workers.

7. Educational Income

**NOTE:** Any expense which is earmarked or paid in whole or in part by excluded educational income is not deductible from other non-excluded income.

All student financial assistance, funded in whole or in part, under Title IV of the Higher Education Act or the Bureau of Indian Affairs, is excluded in its entirety.

Examples of Title IV educational assistance are:

- Pell Grants
- SEOG
- Guaranteed Student Loans, including PLUS loans and Supplemental Loans for Students
- State Student Incentive Grants
- Perkins Loans, formerly National Direct Student Loans

Whether the definition of a student, as found in Chapter 9, is met or not, other income intended to meet expenses related to education that meets both of the following criteria may have certain deductions applied:

- The income intended to meet these educational expenses is from an educational grant, scholarship, fellowship or other educational benefits.

- The income is awarded to a benefit group member enrolled in 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 completion of a secondary school diploma or obtaining the equivalent of a secondary school diploma.

An institution of post-secondary education is any public or private educational institution, which normally requires a high school diploma or equivalency certificate for enrollment, or which admits persons who are beyond the age of compulsory school attendance. The institution must also be legally authorized or recognized by the State to provide an educational program beyond secondary education, or provide a program of training to prepare students for gainful employment.

Once these two criteria are met, the amount deducted is determined as follows.

- a. Funding Source Other Than College Work Study Program

Educational income awarded to a benefit group member is deducted, provided it is for any of the following and it is not paid from excluded educational income:

- Origination fees related to receipt of a deferred-payment loan
- Insurance premiums on a deferred-payment loan
- Tuition
- Fees related to the client's course of study. This includes the rental or purchase of any equipment, materials and supplies. These expenses must not be limited to only those required of all students in the same course of study.
- Books

- Supplies
- Transportation. This may include any fares, purchase or repair of the client's own vehicle or any other costs attributable to transportation.
- Miscellaneous personal expenses. This is defined as those incidental to attending school, other than living expenses. This may include, but it not limited to, meals which cannot be eaten at home, or child care. It does not include housing, personal clothing, or meals eaten at home.

If the institution, school, program or other grantor does not earmark amounts available for allowable costs, the student must receive deductions as used and verified for the allowable costs involved. In addition, students must be allowed a deduction for amounts in excess of the earmarked amounts, when their actual expenses are greater.

Any educational funds not excluded or deducted are counted as unearned income and prorated over the period of time they are intended to cover. It is counted starting in the month it is anticipated to be received.

b. College Work Study (CWS) Program

**NOTE:** Income from the CWS Program, funded in whole or in part under Title IV of the Higher Education Act, is excluded. CWS income from a funding source other than Title IV is earned income.

Because CWS income is usually paid to the student on the basis of work performed, not in one lump sum, its treatment is different than that of other educational benefits. Treatment of this income depends upon whether or not the amount to be earned in one semester is known at the beginning of the semester.

(1) Earnings Known At Beginning of Semester

When the amount of the earnings, or maximum amount which can be earned, is known at the beginning of the semester, the Worker:

- Determines from the client which of the deductible expenses, listed in item a. above, he intends to pay with the CWS earnings.
- Subtracts the total amount of these deductions from the total CWS earnings for the semester.

**NOTE:** Expenses deducted from CWS money may not be used again as a deduction from other education income. The amount used as a deduction from CWS income must not exceed the amount of the CWS income for the semester.

- Prorates the remainder of the CWS income over the period of time it is intended to cover. It is counted starting in the month it is anticipated to be received.

(2) Earnings Unknown At Beginning of Semester

When the amount of the earnings is not known at the beginning of the semester, CWS income is treated as any other earned income.

The Worker must instruct the client to report payment of any allowable expenses from these earnings. Deductions are allowed on an as-paid basis.

**NOTE:** Expenses deducted from CWS money may not be used again as a deduction from other educational income. The amount used as a deduction from monthly CWS income must not exceed the monthly amount of the CWS income. Expenses are deducted prior to entry in the data system.

8. Deeming

**NOTE:** See Chapter 18 for deeming from alien sponsors.

Income is deemed from disqualified individuals and from certain income sources as found below.

a. Deeming From Disqualified Individuals

Income treatment differs, based on the reason for the disqualification as follows:

## 10.5 TANF

This Section contains specific instructions for determining countable income and the benefit level for TANF.

### 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 TANF.

For all cases, income is projected.

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 certification period, or 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 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:** 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.



Projected income is determined as follows.

Step 1: See above.

Step 2: See above.

Step 3: Earnings of  $\$700 \div 4 = \$175$  average.  
UCI of  $\$150 \div 2 = \$75$  average.  
Earnings of  $\$1200 \div 12 = \$100$  average.

Step 4: Weekly earnings of  $\$175 \times 4.3 = \$752.50$  converted.  
Biweekly UCI of  $\$75 \times 2.15 = \$161.25$  converted.  
Annual contract earnings =  $\$100$  converted.

Step 5:  $\$752.50$   
 $+100.00$   
 $\$852.50$  Projected monthly earned income

Step 6:  $\$161.25$  Projected monthly unearned income

B. INCOME DISREGARDS AND DEDUCTIONS

The following disregards and deductions are applied to income.

1. Earned Income

If new employment is not reported, without good cause, within 10 days of the date a benefit group member or sanctioned person begins the employment, the earned income disregards and deductions are not applied to any month's income for which earnings were not reported. These same disregards and deductions are not applied to any earnings received during the time the employment is unreported. Each month of no disregards and deductions counts as one of the four consecutive months of the  $\$30 + 1/3$  Earned Income Disregard.

The following disregards and deductions are applied to earned income.

a. Standard Work Deduction

A standard deduction of \$90 for work expenses is deducted from the gross earned income of each employed individual.

This deduction is applied by the Worker prior to entry into the C-219 system. See Chapter 23.

b. \$30 + 1/3 Earned Income Disregard

The remaining amount of income for each individual, after the deduction outlined above, may be subject to the \$30 + 1/3 Disregard of the remainder.

Some cases must meet an income test to be eligible for this disregard. See item C,2.

(1) General Requirements for All Cases

When more than one individual has earnings, the Disregard is applied separately to each individual.

Use of the \$30 + 1/3 Disregard is limited to 4 consecutive months. The individual may not receive it again until he has been a non-recipient for 12 consecutive months.

An individual receiving Extended Medicaid or Transitional Medicaid coverage is considered a non-recipient. However, an individual not receiving a money payment, because the benefit group is eligible for less than \$10, is considered a recipient of TANF.

**NOTE:** If a sanctioned individual has received 4 consecutive months of the \$30 + 1/3 Disregard, he may not receive it again until the case has been closed for 12 consecutive months.

(2) Interruption of the \$30 + 1/3 Disregard

When an individual requests case closure, solely to avoid the expiration of the 4-month

## 10.24 WV WORKS

This Section contains specific instructions for determining countable income and the benefit level for WV WORKS.

### 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 WV WORKS.

For all cases, income is projected.

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 certification period, or 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 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:** 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.

Projected income is determined as follows.

- Step 1: See above.
- Step 2: See above.
- Step 3: Earnings of  $\$700 \div 4 = \$175$  average.  
UCI of  $\$150 \div 2 = \$75$  average.  
Earnings of  $\$1200 \div 12 = \$100$  average.
- Step 4: Weekly earnings of  $\$175 \times 4.3 = \$752.50$   
converted.  
Biweekly UCI of  $\$75 \times 2.15 = \$161.25$  converted.  
Annual contract earnings =  $\$100$  converted.
- Step 5:  $\$752.50$   
 $+100.00$   
 $\$852.50$  Projected monthly earned income
- Step 6:  $\$161.25$  Projected monthly unearned income

B. INCOME DISREGARDS AND DEDUCTIONS

The following disregards and deductions are applied to income.

1. Earned Income

If new employment is not reported, without good cause, within 10 days of the date a benefit group member or disqualified person begins the employment, the earned income disregards and deductions are not applied to any month's income for which earnings were not reported. These same disregards and deductions are not applied to any earnings received during the time the employment is unreported. In addition, when new employment is not reported, as required by the PRC, the appropriate sanction is applied. See Chapter 13.

a. Earned Income Disregard

See Appendix G of this Chapter. The earned income of all benefit group members and disqualified individuals is added together. The resulting amount is compared to the appropriate income amount in the Earned Income column. The corresponding amount in the Income Disregard column is the amount subtracted from earnings.

b. Dependent Care Deduction

When the employed benefit group member or disqualified person must pay for dependent child or incapacitated adult care to accept or continue employment or training, a deduction from income must be allowed. The amount must be allowed, as paid, up to the maximum amounts shown below. The maximum amounts are based on the age of the dependent and are the maximum allowed for each dependent. The dependent need not be receiving WV WORKS for the deduction to apply.

AGE OF DEPENDENT	MAXIMUM MONTHLY DEDUCTION
Under Age 2	\$200
Age 2 or Over	\$175

Only payments made from the person's own funds are deductible. Clients with these expenses must be offered a referral to the Office of Social Services for help in meeting these expenses. However, there is no penalty for failure to accept these services.

2. Unearned Income

The only unearned income disregard or deduction is the first \$50 of child support received. This is the Child Support Incentive.

Special consideration must be given to applicants as follows.

If the client is receiving child support payments at the time of application, and the application is approved, it may not be possible or practical for him

**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 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 in an irrevocable trust are excluded. When accessible to the benefit group, the amount of a pre-paid funeral agreement, up to a maximum of \$1,500 for each benefit group member, is excluded. The amount in excess of \$1,500 for each person which is in an accessible burial fund is an asset.

B. AFDC/U, WV WORKS, AFDC/U MEDICAID and AFDC/U-RELATED MEDICAID

**NOTE:** When an asset is deemed, the full countable value is deemed with no disregards or deductions applied.

1. Assets of Disqualified/Ineligible Individuals

a. TANF and AFDC/U Medicaid

The assets of disqualified parents are counted in their entirety for the benefit group. Assets of other ineligible persons, including stepparents, are not deemed. When a parent and an ineligible person jointly own an asset, see item 3 below.



**STATE OF WEST VIRGINIA  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
OFFICE OF FAMILY SUPPORT**

## **IMPORTANT NOTICE ABOUT REPORTING CHANGES**

As a requirement to receive Food Stamps, you have been completing a form every three months to report changes in your household and sending it to your local DHHR office.

This is to notify you that after December, 1997 you will no longer receive this form to complete every three months, but that you must still report changes.

If you receive cash assistance, you must report changes in your household circumstances which could affect eligibility or the amount of your cash assistance or Food Stamps to your local DHHR office within 10 days of the date the change becomes known to you.

Examples of these changes include, but are not limited to:

- Income: any change of more than \$80 in earned income and any change of more than \$25 in unearned income;
- Anyone moves in or out of your home;
- You move;
- A change in the amount of money anyone in your home has;
- Someone in your home buys, sells or trades a vehicle.

Other changes may also affect your benefits and must be reported. If you do not know whether a change needs to be reported or not, report it to your Worker.

If you receive Food Stamps but not a check, you must come to the local DHHR office for a complete review of your eligibility every three months.

Beginning in January, 1998, instead of your next report form, you will receive an appointment letter with the time and date you must come in. If you fail to keep this appointment, your benefits may be stopped. In addition to a review of eligibility every three months, you must report within 10 days from the date the change becomes known, the following changes on earned income for anyone in your home:

- A change in the source of income because of going to a different employer;
- There is a change in the hourly rate or salary;

- There is a change in employment status from part-time to full-time, or full-time to part-time.

You must also report within 10 days from the date the change becomes known, any other change in circumstances which could affect the amount of Food Stamps your household is entitled to receive. This includes:

- Someone begins to work or receive unearned income such as Unemployment, Social Security;
- Someone moves in or out;
- You move or your address changes;
- The amount of your rent or utilities changes;
- Someone in your home has a change in the amount of his assets;
- Someone buys, sells or trades a vehicle.
- When there is a change in a legal obligation to pay child support.

If you received a report form in the month of December, 1997, which is due to be returned by January 7, 1998, you must complete the form and return it to your local DHHR office. Failure to return the form will stop your benefits. Remember, this change begins for those who would receive a report form in January, due in February.

If you have any questions regarding this change in procedures or about your reporting requirements, please contact your county DHHR office.