

MANUAL MATERIAL TRANSMITTED

MANUAL: INCOME MAINTENANCE			CHANGE NUMBER: 33		
DELETE			INSERT OR CHANGE		
PAGES	CHAPTER	DATED	PAGES	CHAPTER	DATED
27 - 28	10	8/95	27	10	8/95
31 - 34	10	2/96	28	10	6/96
46 a - 46 b	10	10/95	31	10	6/96
			32	10	2/96
			33	10	6/96
			34	10	2/96
			46 a	10	6/96
			46 b	10	10/95
21	11	4/96	21	11	4/96
22	11	8/95	22	11	6/96
67 - 68	11	8/95	67	11	8/95
			68	11	6/96
15	13	9/95	15	13	6/96
16	13	3/96	16	13	3/96
21 - 24	13	9/95	21	13	6/96
			22 - 23	13	9/95
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17 - 18	15	6/95	17	15	6/95
19 - 20	15	6/95	18	15	6/96
			19 - 20	15	6/95
5	20	3/96	5	20	6/96
6	20	3/96	6	20	9/95
			ES-PAC-1	FORM	6/96
			ES-PAC-2	FORM	6/96
DATE: April, 1996			TO: All Income Maintenance Manual Holders		

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
QQ. JTPA (Continued)			
b. Child	Those who are under 19 and under the parental control of another adult member have their earnings excluded. b. No, when the child is: - under 19 years of age - under the parental control of an adult member of the benefit group. School attendance is not a consideration.	b. No. Earned income under JTPA-funded programs paid to a dependent child is disregarded in all steps of the eligibility determination process for a maximum of six months during any calendar year. These six months need not be consecutive months. See Employment.	b. Earned
2. Training Allowances, Reimbursements and Incentive Payments	2. No	2. No	2. No
RR. LIEAP (LOW-INCOME ENERGY ASSISTANCE)	No	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
EEE. REPLACE- MENT OF PROPERTY BENEFITS (From insurance companies, federal or state agencies, public or private organizations or other individuals.)	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 gross.	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. NOTE: 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
MMM. SICK BENEFITS FROM EMPLOYER	Earned, if received while still employed. Unearned, if received after employment is terminated. Count gross.	Earned. EXCEPTION: Any portion attributed to the employee's own contribution is unearned income.	Unearned. EXCEPTION: 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

EXAMPLE: A benefit group member has a court order to pay \$150 per month child support and he verifies only \$50 per month in payments. His child support deduction is \$50.

EXAMPLE: A benefit group member has a court order to pay \$100 per month child support and to provide medical coverage available through his employer. He did not make a payment for 10 months and owes \$1,000 in arrearages. His employer deducts \$100 per month child support, \$50 arrearages and \$25 per month for medical insurance for the child. His child support deduction is \$175.

EXAMPLE: Same situation as above, except the order requires \$50 per month alimony and \$100 per month rent to his ex-wife's landlord, which the court order stipulates is part of his child support obligation. The child support deduction is \$275.

When the child support amount paid each month varies, a minimum 3-month total is averaged to project over the certification period. When the payment record is less than 3 months, the deduction is based on anticipated payments, excluding arrearages.

For child support paid by disqualified individuals, see 10.4,D.

6. Shelter/Utility Deduction

After all other exclusions, disregards and deductions have been applied, 50% of the remaining income is compared to the total monthly shelter and utility costs. If the shelter/utility costs exceed 50% of the remaining income, the amount in excess of 50% is deducted. The deduction cannot exceed the shelter/utility cap found in Appendix B.

EXCEPTION: The cap on the shelter/utility deduction does not apply when the Food Stamp benefit group includes an individual who is elderly or disabled, as defined in Chapter 9.

The expense must be allowed only if the benefit group is obligated to pay, and the cost is paid with the resources of the benefit group. The deduction applies whether the expense is paid from excluded or non-excluded resources. When the bill has not been paid for several months, and the Worker questions the

LIST OF ASSETS

business. The value of the fishing permit is not determined because the permit is excluded under the exception. The boat and tackle are producing in excess of a 6% return on the excluded equity value, so the equity is excluded, up to \$6,000. The \$500 excess value is counted toward the asset limit.

2. Non-Business Personal Property

a. Income Producing

No *	Yes	See item 1 above
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Food Stamps: Property which is annually producing income consistent with its FMV is excluded.

b. Necessary for Self-Support

Yes	Yes	No *
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SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB: Non-business personal and real property is considered essential for an individual and/or his spouse's self-support, if it is used to produce goods or services necessary for his daily activities. This property includes real property, such as land, which is used to produce vegetables or livestock for personal consumption only, such as corn, tomatoes, chickens, cattle. This property also includes personal property necessary to perform daily functions, but not passenger cars, trucks, boats, or other special vehicles. Property used to produce goods or services or property necessary to perform daily functions is excluded, if the individual's equity in the property does not exceed \$6,000. The amount of equity in excess of \$6,000 is counted toward the asset limit. Personal property which is required by the individual's employer for work is not counted, regardless of value, while the individual is employed. Examples of this type of personal property include tools, safety equipment, uniforms and similar items.

EXAMPLE: Bill owns a small unimproved lot several blocks from his home. He uses the lot, which is valued at \$4,800, to grow vegetables and fruit, only for his own consumption. Since his equity in the property is less than \$6,000, the property is excluded as necessary to self-support.

NOTE: The 6% provision as shown in item 1 above is not used in this determination.

11.7 TRANSFER OF ASSETS

A. FOOD STAMPS

There is a penalty when a benefit group member or a disqualified individual knowingly transfers assets for the purpose of qualifying for the Food Stamp Program. Supervisory approval is required before notification of disqualification is sent to the client.

1. Applicants

If the applicant has transferred assets within the three-month period immediately preceding the date of application, the benefit group is disqualified from participation in the Program for up to one year from the date of discovery of the transfer.

2. Recipients

If a recipient transfers an asset, the benefit group is disqualified from participation for up to one year from the date of discovery of the transfer.

Eligibility is not affected by transfers of assets:

- Which would otherwise not affect eligibility, such as personal effects, excluded vehicles, etc., or
- Which are sold or traded at or near the CMV, or
- Which are transferred between members of the Food Stamp benefit group, or
- Which are transferred for other purposes.

EXAMPLE: Placing funds in an irrevocable burial trust fund.

The length of the disqualification period is based on the amount by which the client's total retained assets and those transferred exceed the appropriate asset limit.

EXAMPLE: If a one-person benefit group, with a bank account of \$1,500, transfers bonds with a cash value of \$1,000, the amount transferred is \$500. The \$1,500 bank account plus \$1,000 in bonds equals \$2,500. Subtract the \$2,000 asset limit from this amount to arrive at the \$500.

13.8 VOLUNTARY QUIT CORRECTIVE ACTION (FS)

Following the end of the penalty period, a benefit group may begin participation in the Food Stamp Program, if reapplication is made and the benefit group is otherwise eligible.

Eligibility may be reestablished during a penalty period, if otherwise eligible, if the benefit group member who caused the disqualification:

- Secures employment which is comparable in salary or hours to the job which was quit, or
- Leaves the household, or
- Becomes exempt from the work registration requirements for some reason other than UCI- or JOBS-related activities. See Section 13.10.

If the benefit group splits into more than one benefit group, the sanction follows the member who caused the penalty.

If a Head of Household who committed the Voluntary Quit without good cause joins another Food Stamp benefit group, as Head of Household, the new benefit group is ineligible for the balance of the Head of Household's period of ineligibility.

End of Food Stamp Voluntary Quit Policy

- When a client's enrollment status changes from mandatory to exempt
 - When a client moves from one benefit group to another;
 - When a client is removed from the benefit group;
 - When the benefit group or client transfers to another county.
- Apply the appropriate penalty, based on W&T's decision about good cause.

The Worker must send an ES-NL-C within 10 days after W&T's request for a sanction.

- Explain FSE&T requirements, the client's rights and responsibilities and penalties for failure to comply.
- Reassess the client's enrollment status within 30 days, when questioned by W&T. The Worker's decision is final.
- Evaluate the circumstances when an AFDC/U benefit group member fails to cooperate with JOBS or Employment Services to determine if it is comparable to FSE&T requirements.

Only the following JOBS requirements are comparable to FSE&T requirements:

- Job Search
- Job Skills (vocational or institutional training)
- Education (High school, college, ABE, GED)
- On-the-job training (OJT)
- Acceptance of employment

The FSE&T penalty is applied to these clients when all the following conditions are met:

13.12 WORK REGISTRATION PROCEDURES (FS)

FSE&T registration is completed using form ES-2 at the time of application and redetermination. The entire benefit group is registered when the applicant signs the ES-2 signature page and indicates in the affirmative that the applicant understands the FSE&T rights and responsibilities.

NOTE: All Food Stamp applicants and recipients must be offered the right to volunteer for participation in the FSE&T Program. The referral process and other procedures are the same for volunteers as for mandatory registrants, except that penalties for failure to cooperate are not applied to volunteers.

- Received earned income of not less than \$50 during that quarter. Earned income for these purposes includes income as described in Chapter 10. Earned income also includes pay received while serving in the Armed Forces or serving a prison/jail sentence or participating in VISTA.
- Was a participant in the Work Incentive Program, the CWEP program or the JOBS Program for any part of that quarter. An individual is considered to be a W & T or JOBS participant from W & T registration until de-registration. This includes participation in the Community Work Experience Program (CWEP). Participation in any state's Work Incentive Program, CWEP, JOBS or other work program generated by the human services agency of the state and approved by OFA will meet this component.
- Has a "quarter of coverage" as defined by the Social Security Act. The Social Security Act provides for the crediting of quarters of coverage based on yearly earnings including deemed military wages (the amount of deemed military wages must be determined by the SSA) divided by the amount required to qualify a calendar quarter as a quarter of coverage. Quarters of coverage are determined by the amount of income an individual earns in a calendar year without regard to the length of time it takes the individual to earn it. An individual could earn four quarters of coverage for work performed in one calendar quarter, if the earnings are great enough. No more than four quarters of coverage may be earned in one calendar year.

quarter of coverage. A period of disability begins with the quarter of onset and ends with the quarter in which the last disability payment is due. In the case of a disability freeze, the period ends with the second month following the month in which the disability ceases.

(3) Is Available for Employment (AFDCU Only)

The unemployed parent whose activities or responsibilities preclude his being available for employment or training does not meet the definition of unemployment. If the parent states that he will end the activities that preclude his availability for employment or training when an offer is made by W & T, he will meet the requirement of being available for employment. The parent who takes the position that he cannot accept employment or training does not meet this component of the definition.

The parent who has part-time employment or is engaged in other activities must indicate that he is willing to accept full-time employment or training if offered.

(4) Is Registered for JOBS (AFDCU Only)

All parents who apply for AFDCU on the basis of their unemployment and are otherwise eligible must participate in JOBS unless exempt. Procedures for referral to JOBS and the penalty when the unemployed parent refuses to participate are found in Chapter 13.

e. Strikers

Strikers and their families are not eligible for AFDC/U and AFDC/U-Related Medicaid by virtue of the fact that at least one natural or adoptive parent is on strike. Therefore, even if a deprivation factor is established, the family is not eligible. The parent does not have to be on strike from full-time employment in order to be considered a striker. Regardless of the number of

- Establishes an IPV by obtaining the client's waiver of, or presenting evidence at, an Administrative Disqualification Hearing (ADH). -
- Documents IPV through court action
- Notifies the benefit group of the overissuance
- Initiates and monitors collection activity on the claim
- Imposes disqualification sanctions
- Notifies the Worker of the end of the sanction period

C. IDENTIFYING THE MONTH(S) FOR WHICH CLAIMS ARE ESTABLISHED

Those clients who are not required to report quarterly are required to report changes within ten (10) days of the date the change becomes known to the client or occurs, whichever is first. If they do not and the change would have decreased benefits, a claim is to be established for any overissuance. This also applies to quarterly reporting clients when the change in circumstances concerns an issue not asked for on the quarterly report form.

Those clients who are required to report quarterly are NOT REQUIRED TO REPORT those items addressed on the quarterly report form by any means other than the report form. Their reporting deadline is, therefore, the 7th of the processing month following the quarter the change occurred.

NOTE: Claims are not established for excess benefits received during the 13-day advance notice period.

EXAMPLE: A QR client sends in an incomplete form on July 7. The form is returned with an ES-NL-C on July 7th. The client returns a completed QR form within the 13-day advance notice period on July 19. A review of the form shows that the client's income has increased from the previous report period. Because it is too late to give the client advance notice of the decrease in benefits, a Food Stamp claim is not established.

1. UPV Claims

NOTE: Items a. and b. below are used when the overissuance is not contested in a Fair Hearing. If a Fair Hearing is held, the Hearings Officer's decision is final.

PAC Eligibility Calculations

Method 1

1. _____ Determine the last month in which the client was eligible for and received both RSDI and SSI.
2. _____ Using Appendix E, find the multiplier for that month and year, and multiply the current amount of RSDI by that multiplier. _____ x _____ = _____
3. + _____ Add any other current unearned income
4. _____ Total gross, monthly unearned income
5. - _____ Subtract \$20 Disregard
6. _____ Remainder
7. - _____ Subtract unearned income diverted to a PASS
8. _____ Remainder
9. - _____ Subtract any death benefits
10. _____ Remainder
11. _____ Gross monthly earned income
12. - _____ Subtract remainder of \$20 Disregard
13. _____ Remainder
14. - _____ Subtract SSI \$65 + 1/2 earned income disregard
15. _____ Remainder
16. - _____ Subtract SSI work-related expenses (blind persons only)
17. _____ Remainder
18. - _____ Subtract earnings diverted to a PASS
19. _____ Remainder
20. + _____ Add Line 10 to Line 19
21. _____ Countable monthly income

Earned	_____
	- 65
Remainder	_____
	- 1/2
Remainder	_____

If your spouse is ineligible, we may count your spouse's income, but we also compare the final amount to the income limit for 2. Please see the attached sheet.

If this amount is less than the current SSI maximum payment, you are eligible.

The current SSI payment level for _____ is _____.

PAC Eligibility Calculations

Method 2

1. _____ Amount of RSDI you received when you stopped getting SSI in _____. See reverse side.
2. + _____ Add any other current unearned income
3. _____ Total monthly unearned income
4. - _____ Subtract \$20 Disregard
5. _____ Remainder
6. - _____ Subtract unearned income diverted to a PASS
7. _____ Remainder
8. - _____ Subtract any death benefits
9. _____ Remainder
10. _____ Gross monthly earned income
11. - _____ Subtract remainder of \$20 Disregard
12. _____ Remainder
13. - _____ Subtract SSI \$65 + 1/2 earned income disregard
14. _____ Remainder
15. - _____ Subtract SSI work-related expenses (blind persons only)
16. _____ Remainder
17. - _____ Subtract earnings diverted to a PASS
18. _____ Remainder
19. + _____ Add Line 9 to Line 18
20. _____ Countable monthly income

Earned	_____
	- 65
Remainder	_____
	- 1/2
Remainder	_____

If your spouse is ineligible, we may count your spouse's income, but we also compare the final amount to the income limit for 2. Please see the attached sheet.

If this amount is less than the current SSI amount, and all other SSI requirements are met, you are eligible.

The current SSI payment level for _____ is _____.