

Part 3 Financial Eligibility

41. What is financial eligibility?

You must be financially eligible to get food stamp/SNAP benefits. That means your *countable* income must be within the program limits. As of June 2008, there is no longer an asset test in Massachusetts for *most* households. If you meet the food stamp/SNAP program financial tests, the amount of your monthly benefits is figured by subtracting 30 percent of your net countable income— after allowable deductions—from the maximum food stamp/SNAP benefit level for your household size. The following questions walk you through the financial rules step by step.

Advocacy Reminder:

- ✓ You can get a good idea whether you are eligible for food stamps/SNAP benefits by using Project Bread’s food stamp/SNAP calculator, available at www.gettingfoodstamps.org. A different type of calculator that uses an Excel spreadsheet is available at www.masslegalservices.org/FScalculator. A simple Food Stamp/SNAP Worksheet is included in this Guide in **Appendix A**.

These tools may be helpful but they do not address many eligibility issues so it is still important for advocates to know the rules.

42. When do assets count?

There is no asset requirement for *most* food stamp/SNAP households. In June 2008, Massachusetts eliminated the asset test for most households. 106 C.M.R. §§ 363.110 and 365.180.

However, there are three situations when DTA will ask about your assets:

- **Expedited benefits:** If you need food stamp/SNAP benefits quickly, you qualify only if you have less than \$150 in countable income and less than \$100 in *liquid assets*, or your shelter costs exceed your income and liquid assets. Liquid assets means cash on hand, money in the bank. 106 C.M.R. §363.300. So, if you have more than \$100 in the bank or in cash, you can probably still get food stamp/SNAP benefits, but not right away.
- **Elder/disabled households with gross income above 200% federal poverty level:** If you are age 60 or older, or disabled and your gross income exceeds this level, DTA will ask about your assets before determining your eligibility. You need to have less than \$3,000 in countable assets. Assets included bank accounts, stocks, bonds, real estate other than your home, etc. It does not include tax deferred retirement accounts, your home or land it sits upon, a car and other excluded items. See 106 CMR § 363.130 for a full list of which assets are count and 106 CMR § 363.140 for a list of those non-countable.
- **If you are disqualified due to a sanction:** Your assets count if your food stamp/SNAP household includes a member disqualified for one of the following reasons -
 - Intentional program violation (fraud) at 106 C.M.R. § 367.800,
 - Failure to comply with the work program rules at 106 C.M.R. § 362.320, *or*

- Failure to comply with the TAFDC monthly reporting rules at 106 C.M.R. § 366.110(D).

If your household includes a disqualified household member, you are also subject to the \$2,000 asset limit. The asset limit is \$3,000 if your household contains an elder or disabled individual. Once the household member is back in compliance with the work or reporting rules (or the IPV sanction period has ended), the regular financial rules apply.

Additional Policy Guidance: DTA policy guidance on expanded categorical eligibility rules and treatment of sanctioned household members; once household complies with sanction or violation, categorical eligibility rule apply. Field Operations Memo 2008-27 (May 30, 2008).

43. What if I own a car?

There is no asset limit for most households. And even if you are one of the few food stamp/SNAP applicants subject to the asset limit, vehicles are not a countable asset for food stamps/SNAP. This includes licensed and unlicensed vehicles such as cars, trucks, vans, motorcycles, and boats. 106 C.M.R. § 363.140(C).

Advocacy Reminder:

If you own a car and you have child care expenses, you can claim as a dependent care deduction the mileage for transporting your children to and from care. See **Question 55**. If you are age 60 or over, or disabled, and you use your car to go to medical appointments or the pharmacy, you can also claim the milage for these trips. See **Question 53**.

44. What income is not counted?

DTA looks at total monthly income to decide if you are eligible for food stamp/SNAP benefits and how much you will get—but not all income counts. DTA is supposed to calculate your income based on what you anticipate receiving in the future.

The following items are examples of income that does *not* count:

- VISTA, Youthbuild, and AmeriCorps allowances, earnings or payments.
- Reimbursements—money you get to pay you back for expenses (such as training-related expenses).
- Anything you do not get as cash, such as free housing or food, or money that is paid directly to a landlord or store by a relative, friend or agency that has no legal obligation to do so.
- Cash contributions given to you that provide for part of your housing, food or other needs that are paid by a person or agency that has no legal obligation to do so.
- Money earned by a child under age 18 who is attending high school or elementary school at least half-time, provided the child lives with a parent or other responsible adult.
- Up to \$30 per household member in a three-month period that is not regular (such as money from odd jobs).
- Up to \$300 in a three-month period from private charities.
- Federal educational assistance including grants, loans, and work study.
- Other grants and scholarships that are earmarked for education costs and cannot be used for current living expenses.

Part 3 ■ Financial Eligibility

- Loans from private individuals and financial institutions, including loans on the equity of a home (reverse mortgages).
- The first \$130 per month in training stipends.
- One-time payments, such as tax refunds, state and federal earned income tax credits (EITC), insurance settlements, and back benefits from other programs.
- Additional pay received by the household for a family member who is in the United States Armed forces and deployed in a combat zone.
- Legally obligated child support payments that you pay for a child who is living outside the home and not part of your food stamp/SNAP household (these payments are not counted for the gross income test nor calculating the benefit level).

This is not a complete list. Check the regulations for a complete list. 106 C.M.R. §§ 363.220(C), 363.230.

Additional Policy Guidance: ● Flexible credits provided by employers that are used for benefits such as health insurance and cannot be taken as cash are non-countable as income. Workers instructed to check pay stubs closely for flex-credits that are non-countable. Transitions Hotline FYI, Feb. 2006 and Transitions Hotline Q&A, January 2006 ● Payments from “reverse mortgage” is a loan and not countable as income for food stamps/SNAP. Transitions Hotline Q&A, April 2007 ● Tax deduction on Unemployment Insurance payment is not excluded under food stamp/SNAP rules. Transitions Hotline Q&A, Dec. 2008 ● Payments by relative directly to landlord for rent is not countable income. Transitions Hotline Q&A, May 2004 ● Social Security received by household for child residing in institution is not countable if money is used for the care and maintenance of the institutionalized child. Transitions Hotline Q&A, June 2000.

Advocacy Reminders:

- ✓ You do not need to verify income that is considered non-countable or excluded unless the information you provide is inconsistent or questionable. 106 C.M.R. §§ 361.610(A), 363.210(D).

Part 3 ■ Financial Eligibility

- ✓ Federal and state tax refunds (but not earned income credits) and other lump sums of money such as lottery winnings, insurance settlements, and back benefits from other programs count as assets (if household subject to asset test) even though they do not count as income. 106 C.M.R. §§ 363.130(E), 363.230(I).
- ✓ Unlike TAFDC and EAEDC, the food stamp/SNAP program does not count lump sum payments as income. For households subject to the asset limits, some lump sum payments count as assets in the month received and are considered countable assets in later months if you still have the money. 106 C.M.R. § 363.230(I)
- ✓ Remember - Some employers don't pay for benefits such as medical coverage or child care assistance directly. Instead, they give employees "credits" that can be used to pay for these types of benefits. Although these "credits" may appear on pay stubs as income, they are treated as *noncountable income* so long as you do not have the option of taking the credits as cash.

45. What is earned income?

The food stamp/SNAP rules treat income as either earned or unearned. 106 C.M.R. § 363.220. Most earned income is counted for food stamp/SNAP purposes. Unlike unearned income, you are allowed a 20 percent earned income deduction from your gross earnings. See **Question 52**.

Earned income includes:

- Gross earnings from wages and salaries, including earnings diverted or garnished by an employer for a specific expense. 106 C.M.R. § 363.220 (A). Money that is paid directly to your landlord for rent on top of your regular wages is excluded as a vendor payment. 106 C.M.R. § 363.220 (C).

Part 3 ■ Financial Eligibility

- Gross earnings from self-employment, after allowable business expenses, but before any income taxes or FICA. See **Question 46**.

- Income from boarders less the cost of doing business, provided the boarder is not part of the food stamp/SNAP household. See 106 C.M.R. § 365.200 on how to calculate the income received from boarders.

- Income from rental property less business expenses, provided a household member manages the property for at least 20 hours per week 106 C.M.R. § 365.930(A). If managed for less than 20 hours per week, it is considered unearned income. See **Question 46**.

DTA first calculates the monthly amount before taxes, FICA or other mandatory payroll deductions. Legally obligated child support payments are deductible. See **Question 54**. Gross earnings do not include employee “credits” for employee benefits such as health insurance that cannot be taken as cash by the employee. See **Question 44**.

Additional Policy Guidance: • Missing wage information and date of termination from work can often be verified through an internet-based employee verification system, called “The Work Number”, a service used by many large company employers. Detailed guidance to DTA workers on what information is available and how to access client information through “The Work Number.” F.O. Memo 2007-3 (Jan. 31, 2007) • Earnings of a child in school at least half time *not* countable (rules less favorable than TAFDC). Transitions Hotline Q&A August 2003 • School employees who receives salary over a ten month period have income averaged over 12 month period if employee works under a renewable annual contract; Transitions Hotline Q&A, May 2002 • Short-term disability payments are treated as earned income (20% earnings deduction applies) if the payee is still considered an employee, intends to return to work, and the monies paid are out of company funds (not an insurance company), Transitions Hotline Q&A, September 1998.

46. How is self-employment income counted?

Self-employment income also counts as earned income in determining your food stamp/SNAP benefits. This includes when you are a contractor or sub-contractor providing services for an government or private agency, such as a home-based day care. DTA looks first at your gross income and subtracts the costs of producing the income. Examples of self-employment costs include:

- rent and utilities you pay for your business space (including a portion of the costs of your home if you have an at-home business),
- rental of equipment (such as a taxi, tractor, boat, beauty salon equipment),
- costs of supplies, such as food or toys provided in a day care setting, cleaning supplies for housekeeping, products for a beauty salon, etc.,
- wages paid to other employees,
- stock or inventory,
- raw materials used to make a product, including seed and fertilizer,
- mortgage, interest, and taxes paid on income-producing property,
- advertisement costs,
- repairs and replacement of equipment,
- legal and accounting fees, licenses and permits,
- phones, computers, postage meters, paper and other business supplies.

See 106 C.M.R. § 365.940.

Not all business expenses, however, are allowed, such as net losses nor payments on the principal of the purchase price of income producing real estate (but interest payments are deductible.). Further, in calculating your gross income less business expenses, DTA does not deduct any income tax you pay for yourself, as that is covered in the 20% gross earnings deduction. See 106 C.M.R. § 365.950.

If you have rental property, you are allowed to deduct the costs of owning and repairing the property, but not the 20% gross earnings deduction unless you spend at least 20 hours per week managing the property. 106 C.M.R. § 365.930 (A).

Self-employment is usually averaged over a 12-month period *unless* the income is intended for a shorter period (e.g., summer income), or you tell your worker you wish to have it cover a shorter period of time. 106 C.M.R. §§ 364.340(B), 365.960.

Example: June sells cosmetics from her home. She buys the product from the manufacturer and then sells it to her customers. She can deduct the amount that she paid for the cosmetics and her costs of reaching customers (phone, mailing costs, internet website) from any income that she earns from selling the cosmetics.

Self-employed households are eligible to report changes through semi-annual reporting (USR) because of anticipated fluctuations in income. 106 CMR § 366.110(C)(1)(e). See also **Question 71**.

Advocacy Reminder:

- ✓ If you are self-employed or have an income source that is difficult to verify, DTA must assist you with getting verification. If usual verification is not available, you can verify your income “based on the best information available,” such as a self-declaration of your income. 106 C.M.R. § 363.210(G).

47. What is unearned income?

The food stamp/SNAP rules count most unearned income in calculating your benefits. 106 C.M.R. § 363.220(B). Unearned income includes:

- Cash assistance from TAFDC, EAEDC (Emergency Aid for Elders, Disabled and Children), Social Security and SSI benefits, Unemployment Insurance, Workers Compensation, state and federal Veteran’s benefits, and other pension benefits. 106 C.M.R. §§ 363.220(B)(1), (B)(2). These benefits count as unearned income even if they are diverted to a landlord or other third party for vendor payments. 106 C.M.R. §§ 363.220(C)(2), (C)(3). Even though some of

Part 3 ■ Financial Eligibility

these income sources, like Unemployment Insurance, Workers Compensation and Social Security, are based on your past earnings record, they are treated as unearned income because you are not working when you receive them.

- Income from trusts, alimony and child support payments paid directly to you. Child support payments made to TAFDC recipients that are supposed to be assigned to the Department of Revenue (DOR) are not countable even if received by the TAFDC household. 106 C.M.R. §§ 363.220(B)(3), (C)(6).
- Interest payments, dividends, or other direct money payments. 106 C.M.R. § 363.220(B)(4).
- State and private post-secondary educational loans, grants, scholarships that can be used for current living expenses (federal educational grants and loans and work study are non-countable). 106 C.M.R. § 363.230(D). See **Question 44**.
- Cash assistance income deducted from the grant of a TAFDC, EAEDC or SSI household member who has been sanctioned or has an overpayment because of an *intentional failure to comply with requirements* of these programs. See **Question 49**.
- Rental income you receive less business expenses (such as the principal and interest paid on a mortgage and insurance). 106 C.M.R. § 363.220(B)(5). If you own your home and rent out a room, you can deduct a *pro rata* share of the mortgage and carrying charges from the rental income. If you prove you are managing the property at least 20 hours per week, the rental payment is considered earned income and you are entitled to an earned income deduction. Current DTA regulations, 106 C.M.R. § 365.950(A) state that the principal paid on a real estate mortgage is not an allowable business expense. This regulation conflicts with the federal food stamp/SNAP regulations, 7 C.F.R. § 273.11(b)(1). Business expenses include the mortgage, principal, taxes, insurance and other carrying charges.

Example: Jane Smith rents out two apartments in her triple decker. She receives \$500 a month per apartment. She pays \$1,200 a month in

mortgage and interest payments, on the mortgage, plus \$90 a month in other expenses. The rental income that is countable is \$170 ($\$500 \times 2 = \1000 in total rental income; $2/3(\$1,200 + \$90) = \$830$ in deductible expenses; $\$1000 - \$830 = \$170$ in countable income).

Additional Policy Guidance: • Payments from a “reverse mortgage” (where homeowner draws money out of equity from home) is a loan and non-countable as income for food stamps/SNAP. Transitions Hotline Q&A, April 2007 • Social Security received by household for child residing in institution is not countable if money used for the care and maintenance of the institutionalized child. Transitions Hotline Q&A, June 2000.

Advocacy Reminder:

- ✓ Even though the first \$50 of child support received by a TAFDC household is noncountable for TAFDC purposes, this payment *is* considered countable unearned income for food stamp/SNAP benefits. 106 C.M.R. § 363.220(B)(3).

48. How does DTA calculate my income for each month?

Your food stamp/SNAP benefit is based on how much income you and the worker are “reasonably certain” you will receive for the period you are on benefits (your certification period). 106 C.M.R. § 364.310.

DTA will ask you for proof of your income from the four week period prior to your application. If you cannot get this information from your employer, or you are missing a wage stub, tell your worker. Your worker may be able to help you get the information by calling the employer with your permission (“collateral contact”) or by using The Work Number, a payroll service used by many employers. See **Question 7**.

If you are no longer working at your old job when you apply for food stamp/SNAP benefits, the income from the terminated source (a lost job or

Part 3 ■ Financial Eligibility

cash benefits or child support payments that have stopped) should not be counted in calculating your benefits. DTA should calculate your financial eligibility *prospectively*, which means looking at what your anticipated income will be in the coming months. 106 C.M.R. § 364.310. So, if you have income from a terminated source, it should not count except for the first month if you get expedited benefits.

Income from a *new* job, Unemployment Insurance or other income source should also not be counted until you are certain when you will get paid and how much. 106 C.M.R. § 364.320.

DTA calculates your monthly income by multiplying the average weekly amount by 4.333 (or 2.167 for bi-weekly amounts). 106 C.M.R. § 364.340.

Example: Judy Jenks received gross pay of \$152, \$125, \$145 and \$150 for the past four weeks. The average of these weeks is \$143 per week. DTA then multiplies this average amount of \$143 by 4.333 to get a monthly gross income of \$619.62.

Additional Policy Guidance: Anticipated UI should not be counted if status of UI claim not known by day 29. Transitions Hotline Q & A April 2004.

49. Do the food stamp/SNAP rules count money I don't receive?

Yes. The food stamp/SNAP rules sometimes counts money you do not get as income when it is—

- Money taken out of your TAFDC or EAEDC because of an *intentional failure* on your part to comply with the rules of the cash assistance program, such as—
 - money taken out for failure to comply with the TAFDC work rules or teen parent school attendance rules, *or*
 - money taken out to repay DTA for an overpayment caused by

Part 3 ■ Financial Eligibility

fraud or willful withholding of information (such as failure to report a job you got when the earnings would have counted) if you were found guilty of an intentional program violation by a court or by a DTA hearing officer or you waived your right to a hearing. 106 C.M.R. § 363.220(C)(4) and (5).

- Money taken out of your SSI benefits to recover an overpayment that DTA confirms was caused by fraud or willful withholding of information. 106 C.M.R. § 363.220(C)(4).
- Money owed to you (wages, support or alimony, public assistance) that you do not get because you asked someone to pay your bills instead. For example, if you ask your boss to pay your rent instead of giving you a paycheck, the money would still count. But if your boss pays you your regular paycheck and then, in addition, pays your rent, the rent payment does not count. 106 C.M.R. § 363.22(C)(3).
- Part of your TAFDC or EAEDC grant that is sent to your landlord or utility company (sometimes called vendor or protective payments). 106 C.M.R. § 363.220 (C)(2), (C)(3).

Additional Policy Guidance: ● Recouped SSI benefits should not count in calculating food stamp/SNAP benefits, Transitions Hotline Q&A, June 1999. ● Monies paid to a third party that are not legally owed to you do *not count*, Transitions Hotline Q&A, May 2004.

Advocacy Reminders:

- ✓ Money that is taken out of your EAEDC or TAFDC grant for an overpayment should not be counted as income in calculating your food stamp/SNAP benefits - unless you were found guilty of an intentional program violation by a court of law or by a DTA hearing officer or you waived your right to a hearing. If the hearing decides that you owe the money but the overpayment was not intentional, the money that is taken out should not be counted.
- ✓ When an SSI recipient's SSI benefits are being recouped, the Social Security Administration's automated system (called SDX) shows the full amount and the amount after recoupment, but does not show if the

Part 3 ■ Financial Eligibility

recoupment is because of an intentional violation. DTA therefore should use the SSI income *after* recoupment to calculate your food stamp/SNAP amount.

- ✓ Money you do not receive because it is being recouped from a non-means tested program benefits, such as Unemployment Compensation or Social Security Disability, is never countable for food stamp/SNAP purposes, even if the money is recouped because of an intentional program violation.
- ✓ Money paid to a third party that is not legally owed to you does not count. For example, if an uncle or an organization pays your landlord part of your rent, the payment is not countable. 106 C.M.R. § 363.230(B). But you can only claim a shelter deduction for the amount you pay the landlord.
- ✓ Money that is paid to others on your behalf does not count where the payments are a result of a court order or other legally binding agreement directing that this money be paid to the third party instead of you. 106 C.M.R. § 363.230(B)(4)(b). For example, if the court orders an absent parent to pay \$400 per month to the household, and an additional \$200 per month to a bank towards repayment of a household's loan, only the \$400 is counted as income.

50. How does DTA count the income of someone who lives with me but is not part of my food stamp/SNAP household?

In general, none of the income of non-household members counts, even if they live with you. 106 C.M.R. § 363.230(L). So, if you live with friends and you purchase and prepare your meals separately, these friends are not household members and their income does not count.

Part 3 ■ Financial Eligibility

There are some exceptions where the non-household member is supposed to be in your food stamp/SNAP household but is ineligible or disqualified for some reason. The food stamp/SNAP program fully counts all of the income and assets of a person who is living with you and otherwise required to be in the household (e.g., a spouse, parent, etc.) but is disqualified from the food stamp/SNAP household because of one of the following:

- An intentional program violation or fraud, see **Question 87**.
- A disqualifying criminal record, see **Question 35**.
- A failure to comply with a work requirement, see **Questions 36-38**.
- A voluntary quit from employment, see **Question 39**.
- Undocumented or undetermined non-citizen status, see **Question 25**.
- Failing or refusing to provide his or her SSN.

See 106 C.M.R. § 361.230(D).

The disqualified person's income is counted in figuring whether the household meets the gross income eligibility test and in figuring the amount of benefits. However, the disqualified person is not counted in figuring household size. 106 C.M.R. § 365.520(A)(4). See **Question 51** for how this works with undocumented immigrant households. The earned income, child support, dependent care and other income deductions do apply.

Example: Mark Ferris, his wife and two children re-applied for food stamps/SNAP recently, but Mr. Ferris was disqualified for benefits for six months because of an intentional program violation (collecting benefits under two cases). Mr. Ferris is working 20 hours a week. He understands that he is not eligible for food stamp/SNAP benefits for himself until the period of disqualification expires. All of his income, together with any other income in the household is compared with the gross income eligibility limit for three people (his wife and two children). His income

Part 3 ■ Financial Eligibility

after deductions together with the other income after deductions is counted against the benefit level for a household of three.

Advocacy Reminders:

- ✓ Live-in attendants and ineligible students are not part of the food stamp/SNAP household and their income and assets are not countable, unless they are required to be part of the household due to age or marital status. 106 C.M.R. § 361.230(B) and (C).

 - ✓ For a discussion of boarders and roomers, see **Question 32**.
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51. Are there financial tests I must pass before I can get food stamp/SNAP benefits?

Yes. Most food stamp/SNAP applicants only need to pass two financial test - a *gross income test* and a *net income test*. A few food stamp/SNAP applicants need to pass the *asset test*, **Question 42**, as described below. Most of the time, you only need to focus on the gross and net income tests.

Gross income is your monthly income before any deductions for taxes, or any of the allowable deductions. *Net income* is what's left after all the allowable deductions under the food stamp/SNAP rules. Deductions include the 20% earnings deduction, standard household deduction, dependent care expenses, medical expenses for elder/disabled persons, child support paid out, and the shelter deduction. Here's how the financial tests work for different households:

1. Families with children and pregnant women:

Part 3 ■ Financial Eligibility

- Your gross monthly income needs to be below “200% gross income test” (that’s 200% of the federal poverty level, FPL). See **Appendix B, Chart 2**. If your gross income *exceeds* this level, you are not eligible.
- Your net income, after deductions, must be below the *net income test* (100% of the FPL). See **Appendix B, Chart 4**.
- There is NO asset test for these households.

2. Households with a senior (age 60+) or person with disabilities:

- Your gross monthly income needs to be below “200% gross income test”, same as families with children. See **Appendix B, Chart 2**. If your income exceeds this limit, you also must pass the asset test (\$3,000 of countable assets).
- Your net income, after deductions, must be below the *net income test* (100% of the FPL). See **Appendix B, Chart 4**.
- There is NO asset test *unless* your gross income is higher than 200% of the federal poverty level.

3. Individuals ages 19 to 60, no children and no disabilities:

- Your gross monthly income needs to be below the “130% gross income test” (130% of the FPL). See **Appendix B, Chart 3**. If your gross income exceeds this, you are not eligible.
- Your net income, after deductions, must be below the *net income test* (100% of the FPL). See **Appendix B, Chart 4**.
- There is NO asset test for these households.

4. Sanctioned households:

Part 3 ■ Financial Eligibility

- If a household member is under a work sanction, IPV/fraud sanction or other program rule,-your gross income must be below the 130% gross income test to qualify for benefits. 106 C.M.R. § 365.180.
- Your net income, after deductions, must be below the *net income test* (100% of the FPL). See **Appendix B, Chart 4**.
- As a sanctioned household, you do not meet the categorical eligibility rules and therefore you must also meet the asset test for your household. 106 CMR 363.110. See **Question 42**.

Here’s a chart that summarizes the gross and net income tests and the asset test rule:

	Asset test	Gross income test	Net Income Test
Family with children, pregnant woman	NO	200% FPL test	100% FPL test
Household with elder or disabled member	NO	200% FPL test	100% FPL test
Household with elder or disabled member with income over 200% FPL	YES	None	100% FPL test
Individual age 18 - 60, no children, not disabled	NO	130% FPL test	100% FPL test
Family, elder/disabled, individual under work or IPV sanction	YES	130% FPL test	100% FPL test

5. Households with a member who is both elderly and disabled and is seeking separate household status

Part 3 ■ Financial Eligibility

In special situations, an individual who is both elderly (60 or older) and disabled but lives with others can get her or his own food stamps/SNAP even if she cannot purchase or prepare food separately. See **Question 18**. To be eligible for this special status, the gross income of the rest of the household excluding the elderly disabled person (and his or her spouse, children age 21 or younger, and certain minors) must be less than 165 percent of the poverty level. 106 C.M.R. §§ 361.200(B), 364.975. See **Appendix B, Chart 5**.

The elderly disabled person, along with his or her spouse, children under 21, and minors under his or her parental control, are then treated as their own food stamp/SNAP household and may be eligible for benefits if the net income standard is met. The other people in the home may be eligible as a separate food stamp/SNAP household if they pass the income tests that apply to them.

Note: The gross income test standard increases in October of each year, even though the federal poverty levels for most other programs increase annually in February or March. This is a federal food stamp/SNAP rule and is based on when the federal fiscal year starts. The 200% of poverty standard, however, increases in the spring.

Additional Policy Guidance: • DTA guidance on the implementation of expanded categorical eligibility rules eliminating the asset test and clarifying the gross income tests. F.O. Memo 2008-27 (May 30, 2008) • Elders who receive disability-based benefits (SSI, RSDI, VA disability) do not have a gross income test. Transitions Hotline Q&A, Sept. 2008.

52. What deductions are allowed against my income?

Five deductions are available to all household types. 106 C.M.R. § 364.400. Households with an elder or disabled member can seek the medical deduction and higher shelter deductions. See **Question 53**.

Deductions allowed for all household types:

- **20 percent of gross earned income**, 106 C.M.R. § 364.400(B).
- **Self-employment business expenses**. 106 CMR § 365.940. See **Question 46**.
- **A standard deduction** of \$144 for households of one to three people, \$147 for households of four, \$172 for households of five, and \$197 for households of six or more, 106 C.M.R. § 364.400(A).
- **A child care or disabled adult care deduction** if you are working, looking for work or in school or training. You can claim the *full amount you are responsible to pay* for each child under age 18 and/or for the custodial care of a disabled or elderly adult. 106 C.M.R. § 364.400(D). See **Question 55** describing the range of allowable expenses.
- **Child support paid to children outside the home** (including payments for health insurance, child support arrearages, payments made to third parties for rent or mortgage) if you are legally obligated to pay the support for a child of yours who does not live with you, 106 C.M.R. § 364.400 (E). See **Question 54**.
- **A shelter deduction**, capped at \$446 for households that do not have an elderly or disabled member. 106 C.M.R. § 364.400(G). The shelter deduction is the amount by which your shelter expenses exceed one-half of your “preliminary net income,” which is the result after subtracting the other deductions. See **Questions 56 and 57** on how to

calculate the shelter deduction. If you are homeless, you get a homeless shelter deduction of \$143 a month *instead* of the shelter deduction, 106 C.M.R. § 360.400(F). See **Question 58**.

The result is your monthly net income. Your benefits are based on this amount.

Example: Betsy Banner earns \$1,500 month in gross wages. She has one child, age three, for whom she pays \$275 per month for child care. Betsy gets the maximum shelter deduction of \$446 based on her income, rent and utilities. Calculate Betsy’s net income as follows.

\$1,500	gross earned income
- 300	20% earnings deduction
- 144	standard deduction
- <u>275</u>	child care deduction
\$ 781	preliminary net income
- <u>446</u>	shelter deduction
\$ 335	MONTHLY NET INCOME

53. What special medical and shelter expenses can I deduct if I am elderly or disabled?

There are special rules for calculating the deductions for households with an elderly (age 60 or over) or disabled person. In addition to the regular deductions, your household is allowed a special medical expense deduction *and* the shelter deduction is not capped.

The “standard \$90 medical deduction”: You are allowed to claim medical expenses that exceed \$35 a month to receive a standard \$90 monthly deduction off your countable income. You need only verify that you have at least \$36/month in expenses to get the deduction.

Part 3 ■ Financial Eligibility

The regular medical deduction: If you incur *more than \$125* per month in medical expenses (\$35 threshold plus \$90 standard deduction), you can still claim the actual expenses to get a higher deduction. You do need to verify your actual expenses above \$125 to claim the higher amount. See 106 C.M.R. § 364.400(C).

For example: Sally Winsor is 78 years old. She has MassHealth coverage, but the combination of small co-pays plus her over-the-counter vitamins, aspirin and skin treatments add up to \$38 per month. Mrs. Winsor gets the \$90 standard medical deduction off her income. If Mrs. Winsor started incurring substantially higher out of pocket expenses, that exceed \$125/month, she could claim the actual expenses.

What counts as medical expenses that I can claim?

- your co-pays or premiums for Medicare, Medicare Part D, Medex or other health insurance, and your deductible for Medicare Part D;
- any medical services you are billed for from doctors, clinics, hospitals laboratories or other facilities not reimbursed by a third party;
- any custodial or attendant care services you need (even if that person is a relative), as well as housekeeping services you pay for;
- dental care, dentures, dental adhesives;
- health treatments by a licensed practitioner including chiropractic, acupuncture, physical or other therapy,
- prescription drugs, including postage costs and any transportation costs to pick these up;
- over-the-counter drugs prescribed by any licensed health care provider (for example, aspirin, laxatives, insulin, herbal and homeopathic remedies),
- eyeglasses, contact lenses, hearing aids, communication equipment for the hearing or visually impaired,

Part 3 ■ Financial Eligibility

- health related supplies prescribed by a health care provider including incontinent supplies, creams and ointments, commodes and walkers,
- private transportation costs (at the federal mileage rate, currently 58.5 cents a mile), costs of taxis or vans, or public transportation costs you incur to get to medical appointments,
- veterinary bills, dog food and other needs for service animals, *and*
- any other unreimbursed medical expenses.

See 106 C.M.R. § 364.400(C). **Appendix C** contains a flier and Medical Expense screening form. Remember, medical expenses that are or will be reimbursed by a third party cannot be claimed as a deduction. 106 C.M.R. § 364.410(B)(3).

A higher shelter deduction: For most households, the maximum shelter deduction is capped at \$446 a month. For households that include an elderly or disabled person, there is *no* cap on the shelter deduction. This means that your household can deduct the *full amount* of your shelter costs above one-half of your preliminary net income. 106 C.M.R. § 364.400(G). See **Questions 56 and 57** on how to calculate the shelter deduction.

Additional Policy Guidance: ● Detailed policy guidance on the new \$90 standard medical deduction, including a DTA brochure and medical expense screening form and case examples. F.O. Memo 2008-15 (March 21, 2008) ● Full amount of health insurance for single person can be claimed as medical expenses for a disabled household member (e.g. more than just the incremental amount of the insurance). Transitions Hotline Q&A, March 2008 ● Multiple policy clarifications: Medical bills need only be “incurred” - not necessarily paid - to claim for medical deduction (as long as not reimbursable by third party). Worker should advise household if more beneficial to average one-time medical bill over remaining certification period or claim for one month. Self declaration of transportation expenses acceptable along with use of MapQuest for door to door mileage. Transitions Hotline Q&A, August 2008 ● Current federal mileage rate is 58.5 cents per mile. Transitions FYI, August 2008 ● Non-recurring medical expenses can be claimed for one month or averaged out, worker should help client make informed choice. Transitions FYI, June 2007 ● Issuance of DTA “Job Aid” and instructions to workers to make every effort to explore medical expenses and assist clients with securing verifications Transitions FYI,

Part 3 ■ Financial Eligibility

April 2007 • Disabled recipients entitled to claim medical expense deduction whether individual is an adult or child; expenses need not be paid to be claimed, verifications required but self-declaration acceptable re lack of third party reimbursement. Transitions FYI, Sept. 2006.

Advocacy Reminders:

- ✓ The medical expense deduction is the most under-claimed deduction in the food stamp/SNAP program. DTA workers are supposed to explore medical expenses with elder or disabled members clients and assist with getting verifications, but they are often overburdened with too many cases and do not get to this. Be sure your clients tell DTA about all their medical-related expenses, including over-the-counter medications, travel to medical appointments, and any custodial care.
- ✓ DTA should make “a reasonable prediction” of the amount you “expect to be billed” during the certification period based on your medical condition and past expenses. You do not need to verify your bills each month, and you do not have to have paid your bills to claim the deduction. Just show proof you received a bill. However, you cannot claim a bill that an insurance company or other third party is going to pay. 106 C.M.R. §§ 364.410(B)(3), 364.420, 364.430.
- ✓ If you are billed for a large, one-time medical expense during your certification period, you have the option of claiming the expense as a one-time deduction or having it averaged over the remaining months in your certification period. 106 C.M.R. § 364.440(C). The most advantageous option depends on the circumstances. For example, if you have a one-time medical expense of \$240 and you are at the start of a 12-month certification period, the amount averaged over 12 months would be \$20 and since the rules only allow medical expenses over \$35 per month, you would not receive a medical deduction unless you had additional expenses of at least \$15 more per month to add to this to get the \$90 standard deduction. You might be better off claiming it as a one-time deduction. So, if there were six months left in your 12-month certification period, you could average the \$240 over the six months and claim a medical deduction of \$40/month, which would get you the \$90 standard medical expense for those remaining months.

- ✓ If you are an SSI recipient getting Bay State CAP benefits, you can elect to get regular food stamps/SNAP at any time if you could get more than any State Cap by claiming medical expenses, higher shelter costs or dependent care expenses. See **Question 4**.

54. What is the child support deduction?

You are allowed to claim the actual amount of child support you pay to children who do not live in the home, provided you are legally obligated to pay the support. This means that you have a court order, administrative order or legally enforceable separation agreement that says you must pay this amount. 106 C.M.R. §§ 361.610(J), 364.400(E).

You can claim not only the money payments, but also court ordered support for health insurance, arrearages and third party payments (such as to a landlord or school for the needs of the child.)

If your child support is paid through garnishment of your wages, you are still entitled to the 20% earnings disregard off your gross earnings *before* the child support deduction. DTA is supposed to deduct the amount of child support paid after the earlier deductions to determine your preliminary adjusted net income. 106 CMR 364.500. This maximizes the amount of the gross earnings deduction.

You verify the *amount* you pay with documents such as canceled checks or wage withholding statements. 106 C.M.R. §§ 361.610(J), 364.400(E). If you pay child support directly to the Department of Revenue, DTA is responsible for getting the proofs.

Remember, you can claim any payments for current child support, payments on arrears, health insurance coverage, and payments to third parties (landlords, banks) for the child.

Additional Policy Guidance: • Payments for health insurance, third parties are allowable expenses; verification of child support payments includes cancelled checks, proof of wage withholding, deductions from UI benefits, or DTA can contact the Department of Revenue for proofs. Transitions Hotline Q&A, May 2008 • Payments from UI benefits for child support are not countable as income to UI claimant as long as claimant has legal obligation to support established. Transitions Hotline Q&A, Dec. 2005.

55. What is the child care/dependent care deduction?

Families with minor children, or a disabled adult member, may claim dependent care expenses incurred while working or going to education or training programs. 106 C.M.R. § 364.400(D). The 2008 federal Farm Bill eliminated the cap on dependent care expenses. Effective October 1, 2008 you can claim *the full amount* in child care or disabled adult care expenses.

Expenses included as child/adult dependent care -

- private day care arrangements made with persons not in your food stamp/SNAP household;
- payments for child and adult care, including co-pays for subsidized care;
- payments for attendant care for a disabled adult;
- fees for after-school and before-school care (extended day programs) including adult supervised after-school activities for teenagers;
- fees for YMCA and YWCA camps, Boys and Girls Clubs;
- summer camp fees; **and**
- transportation to and from the program sites at the federal mileage rate (currently 58.5 cents per mile) or the cost of public transportation. Use Mapquest to help determine your mileage.

You are allowed to *self-declare* your dependent care expenses. **Appendix C** includes a sample form you can send to DTA. You do *not* a statement from the child care provider unless the information you provide to DTA is determined to be “*questionable*.” Questionable means that the information

Part 3 ■ Financial Eligibility

is inconsistent with other statements made by you, information on the application/redetermination form or other information known to DTA.106 CMR 361.620. For example, the amount of dependent care might be questionable if what you pay is significantly higher than the going rate, or if your total expenses for shelter costs and child care exceed your monthly income. In these circumstances, DTA may request a statement from your care provider or other proof of your costs.

There is no age limit on child care as long as the child is under age 18, you can claim the costs for his or her supervision out of school or work. To claim adult-supervised care costs, the adult needs to be disabled and needing care.

If you pay for care for yourself as a disabled person or a disabled adult of your household , DTA will generally treat these as a medical expense medical expenses assuming the disability criteria are met.106 C.M.R. § 364.400(C)(12). You can claim this expense whether or not it is needed to enable you to work or do training, unlike child care expenses which can be claimed only if needed for employment, job search or education/training. See **Question 52**.

Additional Policy Guidance: • Self-declaration policy for dependent care expenses. F.O. Memo 2007-19 (March 15, 2007) • Guidance on implementation of 2008 Farm Bill including broad scope of uncapped child care deductions and use of federal mileage rate. F.O. Memo 2008-49 (Sept. 22, 2008) • Rep payee administrative fees for SSI /RSDI recipients living in group homes should be treated as dependent care expenses. Transitions FYI, Sept. 2006.

Advocacy Reminder:

- ✓ You do not need to wait until your next recertification to claim additional dependent care expenses. If you incur any child care expenses you did not previously report to DTA - or additional expenses above the long standing cap on the deduction - notify your worker immediately.

56. What is the standard utility allowance (SUA) and what is H-EAT?

The standard utility allowance (SUA) is a fixed dollar amount for a household's heating and utility expenses used in the calculation of shelter expenses for food stamp/SNAP benefits. 106 C.M.R. §§ 364.400(G)(2), 364.945. The dollar value of the SUA is statewide and not tied to what you actually pay in monthly oil, gas, electricity or other utilities. It is an annualized amount to help simplify the calculations.

There are three different SUA amounts and the amounts are periodically adjusted by DTA with USDA approval:

- **Heating (or air conditioning) SUA—\$612**, for households that incur heating or air conditioning costs separately from their rent. This includes public or subsidized housing tenants if your housing authority bills you for heat or for use of your air conditioner. You also get this SUA if you receive or anticipate receiving Fuel Assistance (also called Low Income Home Energy Assistance Act or LIHEAP payments) even if your heat is included with your rent. You also get this SUA if you have received the new Fuel Assistance benefit called H-EAT (Heating and Eating). See below. If you incur any heating costs in the winter or air conditioning costs in the summer or get any LIHEAP or H-EAT benefits, you get this SUA all year round, including months when you don't have to pay for heat or air conditioning.
- **Non-heating SUA—\$395**, for households that incur utility expenses but not heating or air conditioning. Utility expenses can include electricity (non-heating), cooking gas, garbage collection, water or sewer fees passed onto tenants.
- **Telephone-only SUA—\$44**, for households that incur only telephone costs (cell phone or landline, but not phone cards) and do not pay any of the other utilities listed above.

You do not have to prove your actual costs to get the SUA. You get the full SUA even if you live with another household and pay only part of the utilities. But except for Fuel Assistance payments, you cannot claim the SUA for utility costs paid by a third party. 106 C.M.R. § 364.410(B)(2).

The H-EAT program.

In 2007, DTA and the Department of Housing and Community Development (DHCD) established a program in 2007 called H-EAT (Heating and Eating Fuel Assistance program). This program helps hundreds of food stamp/SNAP households get more in monthly.

Food stamp/SNAP recipients identified by DTA who are not getting the higher SUA or maximum food stamp/SNAP benefits are sent a small (\$1.00) H-EAT payment each year from the state's Fuel Assistance program. The households also get information on how to qualify for regular Fuel Assistance benefits.

This is how it works: DTA determines which food stamp/SNAP households are eligible for H-EAT by identifying the current recipients who are *not* getting the highest SUA, *not* getting maximum benefits, *not* on Bay State CAP benefits and *not* homeless (homeless households getting the \$143 income deduction (See **Question29**). The remaining households are sent the H-EAT benefit through a DHCD vendor. DTA then calculates the households food stamp/SNAP benefits using the Heating/Cooling SUA, generally resulting in less countable income and thus higher benefits. DTA sends a notice to the food stamp/SNAP household of this increased benefit. Every six months, DTA looks at the food stamp/SNAP caseload to identify additional households eligible for H-EAT. DTA also sends an annual H-EAT payment to the households due for another payment. Food stamp/SNAP households do not apply for H-EAT benefits directly and do not need to verify receipt. DTA does this for you! It is important to note that the H-EAT benefit is available only to Food stamp/SNAP recipients, not initial applicants - hence it is always important to screen for the SUA for all applicants.

In addition to increased benefits, the H-EAT program relieves the household of having to provide proofs of their heating or air conditioning

Part 3 ■ Financial Eligibility

costs. Through receipt of benefits, the household is also enrolled in the utility discount programs. A household that receives H-EAT may also be eligible for regular Fuel Assistance benefits (including if they pay more than 30% of their income for rent) by applying at their low Fuel Assistance agency.

Additional Policy Guidance: • Guidance on the creation of the H-EAT program, sample household notice, instructions on semi-annual caseload sweeps. F.O. Memo 2007-31 (June 28, 2007), F.O. Memo 2007-56 (Oct. 22, 2008), and F.O. Memo 2008-24 (April 30, 2008) • A household that has a change of address during the certification period is still eligible for the heating/cooling SUA if the household received H-EAT or regular Fuel Assistance. Transitions Hotline Q&A, October 2007 • Households eligible for the SUA year round, including months where no heating /cooling SUA if H-EAT benefits or regular or AC costs are incurred, Transitions Hotline Q&As issued August 2005, Decemeber 2004, August 2003. • If household “reasonably anticipates” receipt of Fuel Assistance in upcoming year, household eligible for heating/cooling SUA, Transitions Hotline Q&A December 2004 • Public and subsidized housing tenants charged seasonal electricity charges for AC are eligible for heating/cooling SUA for full certification period, Transitions Hotline Q&A December 2003 • DTA should presume single family residence homeowners have separate heating/cooling costs without additional verification; lease stating heat not included in rent is sufficient verification without fuel bills. Transitions Hotline Q&A, May 2003 • Cell phone same as land line for phone SUA, Transitions Hotline Q&A, January 2002 • Pre-paid phone calling card is *not* allowed for phone SUA because no regular due date or billing for service. Transitions Hotline Q&A, June 2003.

Advocacy Reminder:

- ✓ If a shelter or other expense is paid for fully by someone outside the household, it cannot be claimed as a deduction. 106 C.M.R. § 364.410(B)(1). However, as long as you incur some of the shelter costs, you are eligible for a deduction. For example, if you pay even \$10 per month of your heating or air conditioning costs, you are eligible for the full SUA in addition to your rent or mortgage costs.

57. What is the shelter deduction and how does DTA calculate it?

The food stamp/SNAP rules allows you to deduct shelter expenses that exceed half of your net income. This is called the “shelter deduction.” 106 C.M.R. § 364.400(G). This means that if your allowable shelter expenses are \$350 per month, but your net income after other deductions is \$900 per month, you will get no shelter deduction because half of your net income (\$450) is more than your allowable shelter expenses.

The shelter deduction is currently capped at \$446 per month unless the household includes an elder or disabled member. Then there is *no limit* or cap on the deduction for elder/disabled households.

Shelter expenses include

- mortgage, rent or other carrying charges for your housing or mobile home, including payments on the principal, property taxes and insurance, trailer payments and parking fees, shelter expenses for a home not occupied by you if you are planning to return to it and are not otherwise renting it, and charges for repair of a home damaged by natural disaster, provided you will not be reimbursed for these repairs, 106 C.M.R. § 364.400(G)(1), *plus*
- the appropriate standard utility allowance (SUA) for your household. See **Question 56**.

Part 3 ■ Financial Eligibility

There are four steps to calculate your shelter deduction:

- **Step 1:** Calculate your preliminary net income, which is your gross monthly income after subtracting your earned income deduction, the standard deduction, your dependent care costs, child support payments, and the medical cost deduction if you have an elderly or disabled household member.
- **Step 2:** Calculate your allowable shelter deduction by adding your non-utility shelter costs (rent, mortgage, etc.) to your standard utility allowance (SUA).
- **Step 3:** Divide your preliminary net income in half.
- **Step 4:** Subtract the result in Step 3 (half of your preliminary net income) from the result in Step 2 (your shelter costs). The result is your excess shelter cost. If the answer is zero or less, you do not get a shelter deduction. 106 C.M.R. § 364.400(G). If the answer is more than \$446, you can deduct only \$446 unless the household includes an elderly or disabled person. 106 C.M.R. § 364.500(K).

In other words, allowable Shelter Costs (Step 2) minus half of Preliminary Net Income (Step 3) equals Shelter Deduction (up to the cap if applicable).

Example: Carl Chase earns \$1,500 per month. He lives with his wife Cindy and their child, for a household of 3 persons. He pays \$100 per month in child support for a child who does not live with him. The family pays \$500 per month in rent, and also pay their own heat and utilities. There is no other income in the household and no other deductible expenses.

Note: The food stamp/SNAP shelter deduction is complicated because Congress wanted to target food stamp/SNAP benefits towards households that have the highest shelter costs in relation to their incomes and therefore have the hardest time paying for food. After Section 8 and public housing, it is the biggest source of federal assistance to low-income households based on their housing needs.

\$ 1,500	Gross earned income (including child support paid to a child outside the HH)
- 300	20% earnings deduction
- 144	Standard deduction
<u>- 100</u>	Child support deduction
\$ 956	Preliminary net income
	Shelter deduction calculation
\$500	Rent
<u>+614</u>	SUA
\$1114	Shelter expenses
<u>- 478</u>	One-half prelim. net income
\$636	Shelter expenses
<u>- 446</u>	Maximum shelter deduction
\$ 190	NET INCOME for the Chases
	55
\$ 299	NET INCOME for the Chases

Additional Policy Guidance: • Mortgage payments made when not living in the home are allowed as a deduction if household is temporarily absent for employment, training, illness or an emergency- as long as no one else is renting dwelling and household plans to return. Transitions Hotline Q&A, April 2007 • Shelter costs paid by others (e.g. relatives, friends) are not deductible shelter expenses. Transitions Hotline Q&A, May 2004 • Condominium fees are allowable shelter costs, Transitions Hotline Q&A, January 2000 • Rent or utilities paid in advance may be deducted in the month when they would have been due. USDA Food Stamp Program Regional 04-05 (Northeast Region) • Only amount of mortgage billed is allowed, even if household pays more than monthly mortgage. Transitions Q&A, October 2000.

58. What is the homeless shelter/utility deduction and who gets it?

Part 3 ■ Financial Eligibility

Food stamp/SNAP households who live in homeless shelters, temporarily in the home of another, or on the street are entitled to a standard homeless deduction of \$143 per month in recognition of expenses for laundry, phone calls, locker fees, and other items. 106 C.M.R. § 364.400(F). This deduction is taken from net income, just like the standard deduction, and is not considered a shelter expense. The \$143 amount is allowed even if your actual shelter or utility expenses are very small.

It is important that your DTA worker code your case as “homeless” so you get this deduction. See 106 C.M.R. § 360.030(D) for the definition of homeless.

Example: Paul Smith is a homeless individual who receives \$400 per month in veterans benefits. Sometimes he stays at a shelter for adult individuals, and sometimes he is on the street. Paul gets the \$144 standard deduction and the \$143 homeless deduction. His net monthly income is \$113 per month.

Additional Policy Guidance: • DTA will assume homeless household has expenses and will not require any verification of expenses for \$143 deduction. Household gets full \$143 regardless of its expenses. F.O. Memo 2001-18 (March 30, 2001) • Household can claim either actual shelter expenses or the \$143 homeless deduction, whichever is higher. Transitions, Hotline Q&A, December 2003.

Advocacy Reminders:

- ✓ If you are homeless and temporarily staying someplace where you pay for rent or utilities, you can get either the \$143 homeless shelter deduction or the excess shelter deduction (based on your rent plus the applicable Standard Utility Allowance), whichever is higher. See **Question 29**.
- ✓ A DTA hearing officer has ruled that residents of domestic violence shelters qualify for the \$143 a month homeless shelter deduction.

59. What proofs do I need to claim deductions?

You need proofs for three of the deductions from income.

- **Child support deduction:** You can prove your *legal obligation* to pay support with any document that verifies it, such as a court order, administrative order or legally enforceable separation agreement. You verify the *amount* you pay with documents such as canceled checks or wage withholding statements. 106 C.M.R. §§ 361.610(J), 364.400(E). If you pay child support directly to the Department of Revenue, DTA is responsible for getting the proofs.
- **Shelter expenses:** You can prove shelter expenses through copies of your lease, mortgage statement, cancelled check showing a rental payment or statement from your landlord. 106 C.M.R. §§ 361.610(K), 364.450(D). DTA *cannot* insist you provide a statement from the landlord (such as DTA’s Landlord Verification form). You must be allowed to provide alternative proofs of your shelter expenses instead of this form. It is your choice. 106 C.M.R. § 361.640. See **Questions 7 and 8**. MLRI has developed an alternate landlord verification and shared housing verification form you can use. See **Appendix C**.
- **Medical expenses:** To be eligible for the standard \$90 medical deduction you only need to prove \$36 a month in expenses. You can provide a bill from a doctor, a print out from the pharmacy of your last month’s co-payments and medical purchases. Copies of receipts for over the counter medications and supplies. You do not have to prove that the expense is for an allowable medical need (for example, a doctor’s letter of a prescribed over-the-counter drug, or that you need custodial care) unless the information is questionable. 106 C.M.R. § 364.450(C). You can also self-declare the costs of private transportation at 58.5 cents per mile which can self-declare. See **Question 53**. See **Appendix C** for a medical expense screening form.

Part 3 ■ Financial Eligibility

You do not need proofs to claim the standard deduction, the earnings deduction, or the homeless shelter/utility deduction. You also do not need proofs to get the dependent care deduction unless “questionable.” See **Question 53**.

Additional Policy Guidance: ● See also policy guidance referred to in Question 7 and 8 of this guide. ● DTA must accept alternative proofs of shelter expenses instead of landlord verification form; worker should approve and calculate food stamp/SNAP benefits without deductions if verifications needed for deductions not received Transitions Hotline Q&A, June 2005.

Advocacy Reminders:

- ✓ Although the DTA regulations state that for many deductions you need to provide proof of the expense only when “questionable,” in practice DTA requests verification of most deductions. DTA must help you get these proofs if you are having trouble, and cannot limit the proof to only one type of document. See **Question 8**.
- ✓ If you are unable to provide proof needed for a deduction, DTA still cannot deny or terminate your food stamp/SNAP benefits for lack of proofs. Your DTA worker is required to calculate your benefits on time, but without the additional deductions. If your DTA worker failed to give you a notice telling you what verifications you needed and time to get them (at least ten days) or failed to help you get the verifications, you may be able to get the lost benefits. 106 C.M.R. § 364.450(D). See also **Question 65**.

60. How much will I get in food stamp/SNAP benefits each month?

To get your food stamp/SNAP benefit amount, multiply your net monthly income by 0.3 (30 percent). Round *up* this amount to the nearest dollar.

Part 3 ■ Financial Eligibility

Take this amount and subtract it from the maximum benefit level for a household of your size. The result of this math is the amount of your monthly benefits. 106 C.M.R. §§ 364.600, 364.980. See “Maximum Food Stamp/SNAP Allotments,” **Appendix B, Chart 1**

Example: Carl Chase and his family in **Question 57** have \$190 in net income after all deductions (\$1,500 gross income less 20 percent earnings, less \$144 standard deduction, less \$100/month child support, less the \$446 maximum shelter deduction). Here’s how you calculate the amount of his family’s food stamp/SNAP benefits.

\$190	Net Income for the Chases
<u>x .30</u>	(Multiply by 30%)
\$ 57	Countable Income
\$426	Maximum food stamps/SNAP for 3 persons
<u>- 57</u>	Countable income (round up)
\$370	Monthly food stamp/SNAP benefits for the Chase Family

Your first month of food stamp/SNAP benefits: For the first month you apply, you will get benefits only for the days left in the food stamp/SNAP month from the date you apply. This is called prorating of benefits. 106 C.M.R. § 364.650. For example, if you apply halfway through your food stamp/SNAP month, you will get only 50 percent of the benefit amount you will receive in future months. See **Question 64** for an explanation of “food stamp/SNAP month.”

Minimum benefit for one and two persons households: If you are a household of one or two, *and* you are either (a) “categorically eligible” for food stamps/SNAP *or* (b) your income is below the net income standard, you will get a minimum of \$14 a month in food stamp/SNAP benefits. 106 C.M.R. § 364.600

Households with zero benefits. Larger households (of three or more persons) whose gross income is below the 200% gross income test or whose income is below the net income standards will be put in a

Part 3 ■ Financial Eligibility

“suspended” status, rather than denied, if their benefits are calculated at zero. 106 C.M.R. § 364.600(A). Periodically there larger households with gross income below the 200% FPL gross income test (they are “categorically eligible,” but the food stamp/SNAP calculation ends up with zero benefits. They are not denied but put in “suspended” status because it is possible that in a couple of months, the income or household size will change and the household will be eligible for some benefits. DTA sends a notice to the household that they will keep the case “open” in the system but not they will not receive any benefits. If something changes, they can report the change and do not need to go through a whole re-application with all the verifications and interview.

Additional Policy Guidance: Revised notice to categorically eligible zero income households with information on changes to report to get benefits without re-application. F.O. Memo 2007-50 (Sept. 28, 2007).

61. What happens to my food stamp/SNAP benefits if my cash benefits are reduced because of a DTA sanction?

DTA counts as income money that is being taken out of your TAFDC, EAEDC, or other needs based benefits because you intentionally failed to comply with a program requirement even if you are not sanctioned under the food stamp/SNAP rules. 106 C.M.R. § 363.220(C)(5).

DTA will calculate your food stamp/SNAP benefits as if your household is still getting the full amount of the cash benefit grant amount. Other changes, such as household size or shelter expenses, will continue to affect your food stamp/SNAP amount.

This rule only applies if you were sanctioned because you did not comply with a TAFDC program requirement such as failure to cooperate with child support requirements, work rules, school requirements, or immunization requirements, or an EAEDC program requirement.

Part 3 ■ Financial Eligibility

This rule does not apply if the entire cash grant case closes due to a sanction. For example, teen parents receiving TAFDC face a full family sanction if they do not comply with the school rules after 30 days. Other TAFDC households may face a full family sanction if the parent does not comply with the work rules after 30 days. In these situations, the food stamps/SNAP should be calculated using the household's actual income. 106 C.M.R. § 363.220(C)(5).

Additional Policy Guidance: BEACON User's Guide, Chapter XIV-D-4 contains a full list of situations where DTA attributes cash assistance not actually received by the household. Rule does not apply if you are sanctioned for failure to comply with an administrative requirement, such as cooperating with direct deposit requirements. F.O. Memo 2006-6 (Jan. 13, 2006).

Advocacy Reminder:

- ✓ Although not specified in the state regulations, federal regulations are clear that DTA cannot count benefits you do not receive because of a sanction unless you intentionally failed to comply with the requirements of the program that has reduced your benefits due to a sanction. 7 C.F.R. § 273.11(j).