

## **1016 SPECIAL APPLICATION PROCEDURES**

### **1016.05 INTRODUCTION**

REV:08/2006

This section discusses the special application processing procedures for certain types of households and the treatment of income of individuals who are not eligible household members. The situations requiring special treatment and the sections which outline the procedures are:

* Eligibility for Expedited Services	Section 1016.10
* Households with Income from Self-Employment	Section 1016.15
* Income/Resources of Ineligible Members	Section 1016.20
* Income/Resources of Non-Household Members	Section 1016.25
* FIP and GPA Households	Section 1016.30
* SSI Households	Section 1016.35
* Categorically Eligible Households	Section 1016.40

### **1016.10 ELIGIBILITY FOR EXPEDITED SERVICE**

REV:01/1997

The following households are eligible for expedited service:

1. Households with less than \$150 in monthly gross income, as computed in Section 1010, provided their liquid resources (i.e., cash on hand, checking or savings account, savings certificates and lump sum payments as specified in Section 1008.10.60) do not exceed \$100;
2. Migrant or seasonal farmworker households who are destitute as defined in Section 1016.10.05, provided their liquid resources (see above) do not exceed \$100;  
or
3. Eligible households whose combined monthly gross income and liquid resources are less than the household's monthly rent (or mortgage) and utilities.

Expedited service procedures apply at initial application and at recertification, but only for the first month of each certification period. At recertification, income from a new source is disregarded in the first month of the new certification period if income of more than \$25 will not be received from this new source by the tenth (10th) calendar day after the date of the household's normal cycle.

#### **1016.10.05 Definition of Destitute a Household**

REV:07/1986

Migrant or seasonal farm worker households may have little or no income at the time of application and may be in need of immediate food assistance, even though they receive income at some other time during the month of application.

Special procedures are used to determine when migrant or seasonal farm worker households in these circumstances may be considered destitute and, therefore, entitled to expedited service and special income calculation procedures. Households other than migrant or seasonal farm worker households must not be classified as destitute.

A household's source of income is its employer, or, in the case of self-employed persons, the self-employment enterprise. A household member who changes jobs but continues to work for the same employer is considered as still receiving income from the same source. A migrant farm worker's source of income is considered to be the grower for whom the migrant is working at a particular point in time, and not the crew chief. A migrant who travels with the same crew chief but moves from one grower to another is considered to have moved from a terminated to a new source.

#### ***1016.10.05.05 Destitute Household - Terminated Source***

REV:07/1986

A household whose only income for the month of application was received prior to the date of application, and was from a terminated source, must be considered a destitute household and provided expedited service.

If income is received on a monthly or on a more frequent basis, it must be considered as coming from a terminated source if it will not be received again from the same source during the balance of the month of application or during the month following the month of application.

If income is normally received less often than monthly, the non-receipt of income from the same source in the balance of the month of application, or in the following month, is inappropriate for determining whether or not the income is terminated. For example, if a household's income is received on a quarterly basis (i.e., on January 1, April 1, July 1, and October 1), and the household applies in mid-January, the income should not be considered as coming from a terminated source merely because no further payments will be received in the balance of January or in February. The test for whether or not this household's income is terminated is whether the income is anticipated to be received in April.

Therefore, for households that normally receive income less often than monthly, the income is considered as coming from a terminated source if it will not be received in the month in which the next payment would normally be received.

#### ***1016.10.05.10 Destitute Household - New Source***

REV:07/1986

A household whose only income for the month of application is from a new source is considered destitute and must be provided expedited service if income of more than \$25 will not be received from the new source by the tenth calendar day after the date of application.

Income, which is normally received on a monthly or more frequent basis, is considered to be from a new source, if income of more than \$25 has not been received from that source within thirty (30) days prior to the date the application was filed.

If income is normally received less often than monthly, it is considered to be from a new source if income of more than \$25 was not received within the last normal interval between payments. For example, if a household applied in early January and is expecting to be paid every three (3) months starting in late January, the income is considered to be from a new source if no income of more than \$25 was received from that source during October or since that time.

### **1016.10.05.15      *Destitute Household - Both Sources***

REV:07/1986

A household may receive income from a terminated source prior to the date of application and income from a new source after the date of application, and still be considered destitute if no other income is received in the month of application from the terminated source and if the income, of more than \$25 from the new source, is received by the 10th calendar day after the date of application.

### **1016.10.10            *Screening for Expedited Service***

REV:02/1987

According to the plan of the local certification office, application procedures are designed to identify a household eligible for expedited service at the time a household requests assistance. An agency representative is assigned responsibility for screening the application when it is filed or on the day the individual comes in to apply.

### **1016.10.15            *General Processing - Expedited Service***

REV:01/2002

For a household entitled to expedited service, the agency must make available to that household food stamp benefits not later than the seventh (7th) calendar day following the day the application was filed. For a resident of a public institution who applies for benefits prior to his/her release from the institution and who is entitled to expedited service, the filing date of his/her application is the date of the applicant's release from the institution. For intervening weekends or holidays, the agency shall use the following procedures so that the household has an opportunity to receive its food stamp benefits no later than that seventh (7th) calendar day.

### **1016.10.15.05        *Special Processing - Expedited Service***

REV:01/2002

For residents of drug addiction or alcoholic treatment and rehabilitation centers who are entitled to expedited service, the agency must make the food stamp benefits available no later than seven (7) calendar days following the date the application was filed.

Residents of shelters for battered women and children who are otherwise entitled to expedited service must be handled in accordance with the time limits specified in Section 1016.10.15.

## **1016.10.20 Out-of-Office Interviews**

REV:01/1997

If a household is entitled to receive expedited service and is also entitled to a waiver of the office interview, as discussed in Section 1002.55.15, the agency representative must conduct the interview (unless the household cannot be reached) by the sixth (6th) calendar day following the date the application was filed.

The first day of this count is the calendar day following application filing.

If the agency representative conducts a telephone interview and must mail the application to the household for signature, the mailing time involved is not calculated in the expedited service standards specified in Section 1016.10.15. Mailing time only includes the days the application is in the mail to and from the household and the days the application is in the household's possession pending signature and mailing.

If the screening required in Section 1016.10.10 fails to identify a household as being entitled to receive expedited service and the agency subsequently discovers that the household is entitled to receive expedited service, the agency must provide expedited service to a household within the processing standards described in Section 1016.10.15, except that the processing standard is calculated from the date the agency discovers the household is entitled to expedited service.

## **1016.10.25 Determining Eligibility and Benefits**

REV:02/1987

A destitute household must have its eligibility and level of benefits calculated for the month of application by considering only income which is received between the first of the month and the date of application. Any income from a new source which is anticipated after the day of application must be disregarded for that month.

Some employers provide travel advances to cover the travel costs of new employees who must journey to the location of their new employment. To the extent that these payments are excluded as reimbursements, receipt of travel advances does not affect the determination of when a household is destitute. However, if the travel advance is by written contract an advance on wages which will be subtracted from wages later earned by the employee, rather than a reimbursement, the wage advance must count as income. Nevertheless, the receipt of a wage advance for the travel costs of a new employee does not affect the determination of whether subsequent payments from the employer are from a new source of income, nor whether a household is considered destitute.

For example, if a household that applies on May 10, has received a \$50 wage advance for travel from its new employer on May 1, which, by written contract, is an advance on wages but will not start receiving any other wages from the employer until May 30, the household is considered destitute. The May 30th payment is disregarded, but the wage received prior to the date of application is counted as income.

## **1016.10.30      Verification Procedures - Expedited Service**

REV:08/1986

The identity of the person making the application and, whenever possible, the household's residency in accordance with Section 1004.10., must be verified through a collateral contact or readily available documentary evidence. Examples of acceptable documentary evidence which the household may provide include, but are not limited to, a driver's license, work or school I.D., voter registration card, or birth certificate.

Once an acceptable collateral contact has been designated, the agency representative must promptly contact the collateral contact in accordance with Section 1002.60.25. Although the household has the primary responsibility for providing other types of verification, the agency representative must assist the household in promptly obtaining the necessary verification.

A household entitled to expedited service is asked to furnish a Social Security Number (SSN) for each person or apply for one for each person before the first full month of participation.

A household unable to provide the required SSNs, or who does not have one prior to its next issuance, must be allowed thirty (30) days from the first day of the first full month of participation to obtain the SSN in accordance with Section 1004.40.

All reasonable efforts must be made to verify within the expedited processing standards, the household's residency, income statements (including a statement that the household has no income), liquid resources and all other factors required by Section 1002.60., through collateral contacts or readily available documentary evidence. However, benefits must not be delayed beyond the processing standards described in Section 1016.15., solely because these eligibility factors have not been verified.

A household entitled to expedited service must meet the resource criteria in Section 1006., although verification of resources for expedited service must not cause a delay.

### ***1016.10.30.05      Postponed Verification***

REV:08/1986

The agency representative should attempt to obtain as much additional verification as possible during the interview, but should not delay the certification of households entitled to expedited service for the full timeframes when it is determined that it is unlikely that other verification can be obtained within these timeframes.

### ***1016.10.30.10      Work Registration***

REV:08/1986

The agency representative must, at a minimum, require the applicant to register (unless exempt or unless the household has designated an authorized representative to apply on its behalf.) The agency representative may attempt to register other household members but must postpone the registration of other household members if it cannot be accomplished within the expedited service timeframes.

The agency representative may attempt registration for other household members by requesting that the applicant complete the work registration forms for other household members to the best of his/her ability. The agency representative may also attempt to accomplish work registration for other household members in a timely manner through other means, such as calling the household. The agency representative may attempt to verify questionable work registration exemptions, but such verification must be postponed if the expedited service timeframes cannot be met.

### **1016.10.35 Certification Periods - Expedited Service**

REV:06/1994

Households which are certified on an expedited basis and have provided all necessary verification required in Section 1002.60 prior to certification are assigned a normal certification period.

Non-migrant households eligible for expedited service and applying after the 15th of a month and who are assigned a certification period of longer than two (2) months must be notified in writing that they must provide postponed verification before a third month's benefits are issued.

A migrant household eligible for expedited service and applying after the 15th of a month and who is assigned a certification period of longer than two (2) months must be notified in writing that they must provide postponed verification from sources within the state before a third month's benefits are issued, and must provide all verification from out-of-state sources before being issued benefits for the third month. The notice must also advise the household that if verification results in changes in the household's eligibility or level of benefits, the agency representative must act on these changes without advance notice of adverse action.

Migrants must be entitled to postpone out-of-state verification only once each season. If a migrant household requesting expedited service has already received this exception during the current season, the agency representative must grant a postponement of out-of-state verification only for the initial month's issuance and not for the second month's issuance if the household is applying prior to the fifteenth of the month.

### **1016.10.40 Certification Period-Postponed Verification**

REV:06/1994

If verification was postponed, the agency representative certifies the household for the month of application and for those households applying after the 15th of the month, the month of application and the following month. When certified only for the month of application and the following month, the household must reapply and complete the verification requirements which were postponed.

Except with regard to migrant and non-migrant households applying after the 15th of a month, when a certification period of longer than two (2) months is assigned, the agency representative must notify the household in writing that no further benefits will be issued until the postponed verification is completed.

Except for a migrant household needing out-of-state verification, when the postponed verification is not completed within thirty (30) days of the date of the application, the agency representative must terminate the household's participation and issue no further benefits.

## **1016.10.45      Limit on Expedited Service**

REV:07/1986

There is no limit to the number of times a household can be certified under the expedited procedures provided that, prior to each expedited certification, the household either completes the verification requirements which were postponed at the last expedited certification or has been certified under normal processing standards since the last expedited certification. For example, a household is certified under the expedited procedures in February. If the household again requests expedited service in March, it must provide February's verification or be certified under normal standards. But if the household does not request expedited service until September, it must either: (1) have provided February's verification, or (2) have been certified under the normal certification procedures in the interim. If either of these did not happen, the household is not entitled to expedited service. Households requesting, but not entitled to, expedited service must have their applications processed according to the normal processing standards.

## **1016.15            HOUSEHOLDS WITH INCOME FROM SELF-EMPLOYMENT**

REV:07/1986

The certification areas affected by self-employment income are:

- \* Work Registration Exemption - This determination is made on an individual basis.
- \* Assignment of Certification Periods - A 12-month certification period may be assigned if the household's annual support is from self-employment.
- \* Annualization of Self-Employment Income - Self-employment income must be annualized if it represents all a household's annual support, even if received in less than 12 months.
- \* Deductions for the Costs of Doing Business - These deductions are allowed for all self-employment income.

Owners of Rental Property

Ownership of rental property is considered self-employment although the work registration exemption applies only if one of the criteria in Section 1016.15.06 is met. The income from rental property is discussed in Section 1016.15.10.

## **1016.15.05      Work Registration**

REV:07/1986

The receipt of income from self-employment does not automatically exempt a member from the work registration requirement. The member must be actively engaged in the enterprise on a day-to-day basis and the agency representative must determine that the self-employment enterprise either requires at least thirty (30) hours of work per week during the period of certification or an average of thirty (30) hours per week on an annual basis or, if not working thirty (30) hours per week, is receiving weekly earnings at least equal to the Federal minimum wage multiplied by thirty (30) hours.

In instances when the member hires or contracts for another person or firm to handle the daily activities of such enterprise, the member is not considered as self-employed for the purpose of work registration unless the person works in such activity at least thirty (30) hours per week.

### **1016.15.10      Income from Rental Property**

REV:08/1986

Income derived from rental property is considered earned income for the twenty percent (20%) earned income deduction only if a member of the household is actively engaged in the management of the property at least an average of twenty (20) hours per week.

Regardless, the cost of doing business is deducted from rental property. If the twenty (20) hours per week criterion is not met, the net income is considered unearned.

Internal Revenue Services (IRS) Publications 17, 334 and 533 provide details on taxing self-employment income. They are available from the IRS information offices.

### **1016.15.15      Capital Gains are Income**

REV:08/1986

The proceeds from the sale of capital goods or equipment are calculated in the same manner as a capital gain for Federal income tax purposes. Even if only fifty percent (50%) of the proceeds from the sale of capital goods or equipment is taxed for Federal income tax purposes, the agency representative must count the full amount of the capital gain as income for food stamp purposes.

### **1016.15.20      Costs of Producing Self-Employment Income**

REV:08/1986

Allowable costs of producing self-employment income include, but are not limited to, the identifiable costs of labor, stock, raw material, seed and fertilizer, interest paid to purchase income-producing property, insurance premiums, and taxes paid on income-producing property.

### **1016.15.25      Averaging Self-Employment Income**

REV:08/1986

Self-employment income which represents a household's annual support, is annualized over a 12-month period, even if the income is received in only a short period of time during the twelve (12) months. For example, self-employment income received by farmers is averaged over a 12-month period if the income is intended to support the farmer on an annual basis. This self-employment income is annualized even if the household receives income from other sources in addition to self-employment. However, if the averaged annualized amount does not accurately reflect the household's circumstances because the household has experienced a substantial increase or decrease in business, the agency must calculate the self-employment income on anticipated earnings.

The agency must not calculate self-employment income on the basis of prior income (e.g., income tax return) when the household has experienced a substantial increase or decrease in business. For the period of time over which self-employment is determined, the agency representative adds all gross self-employment income (including capital gains), excludes the cost of producing the self-employment income, and divides the self-employment income by the number of months over which the income will be averaged.

### **1016.15.25.05      *Monthly Self-Employment Income***

REV:08/1986

Self-employment income which is received on a monthly basis but which represents a household's annual support is normally averaged over a 12-month period. If, however, the averaged amount does not accurately reflect the household's actual circumstances because the household has experienced a substantial increase or decrease in business, the agency representative calculates the self-employment income based on anticipated earnings.

### **1016.15.30              *Anticipated Self-Employment Income***

REV:05/1986

For those households whose self-employment income is not averaged but is instead calculated on an anticipated basis, the agency representative adds any capital gains the household anticipates it will receive in the next twelve (12) months (starting with the date the application is filed) and divides this amount by twelve (12). This amount is used in successive certification periods during the next twelve (12) months, except that a new average monthly amount is calculated over this 12-month period if the anticipated amount of capital gains changes. The agency representative then adds the anticipated monthly amount of capital gains to be anticipated monthly self-employment income, and subtracts the cost of producing the self-employment income. The cost of producing the self-employment income is calculated by anticipating the monthly allowable costs of producing the self-employment income.

### **1016.15.35              *Monthly Income from Self-Employment***

REV:08/1987

If it is determined that a household is eligible based on its monthly net income, the household may have the option to have its benefit level determined by using either the same net income which was used to determine eligibility, or by unevenly prorating the household's total net income over the period for which the household's self-employment income was averaged to more closely approximate the time when the income is actually received. If income is prorated, the net income assigned in any month cannot exceed the maximum monthly income eligibility standards for the household's size.

If the cost of producing self-employment farm income exceeds the income which is derived from self-employment as a farmer, such losses must be offset against any other countable income in the household. Losses from self-employment farm income are offset in two phases. The first phase is to offset losses against non-farm self-employment income. The second phase is to offset the remaining losses against the total of the household's earned and unearned income. To be considered a self-employed farmer, eligible for this offset of expenses, the farmer must receive or

anticipate receiving annual gross proceeds of \$1,000 or more from the farming enterprise.

## **1016.15.40        Determining Net Monthly Food Stamp Income**

REV:08/1987

To determine the monthly food stamp income for households with income from self-employment enterprises, the monthly net self - employment income is added to any other earned income received by the household. The total monthly earned income, less the twenty percent (20%) earned income deduction, is then added to all other monthly income received by the household. The standard deduction, dependent care and shelter costs are computed as for any other household and subtracted to determine the monthly net income of the household.

## **1016.15.45        Certification Periods**

REV:08/1987

Households that receive their annual support from self-employment and have no other source of income may be certified for up to twelve (12) months. For those households that have other sources of income, or whose self-employment income is intended to cover a period of time that is less than a year, the agency representative must assign a certification period appropriate for the household's circumstances as discussed in Section 1012.10.

For those self-employed households that receive their annual income in a short period of time, the initial certification is assigned to coincide with the filing of the household's income tax.

## **1016.15.50        Household with Boarders**

REV:05/1986

A household that operates commercial boarding houses are considered self-employed and the criteria Sections 1016.15.05 through 1016.15.45., apply. Households with boarders are allowed to deduct the cost of doing business as discussed in Section 1016.15.50.10.

A person paying a reasonable amount for room and board, as discussed in Section 1002.30., is excluded from the household when determining the household's eligibility and benefit level.

Payments from that boarder are treated as self-employment income.

### **1016.15.50.05     *Cost of Doing Business***

REV:05/1986

After determining the income received from a boarder, the agency representative excludes that portion of the boarder payment which is a cost of doing business. The cost of doing business is equal to one of the following provided that the amount allowed as the cost of doing business does not exceed the payment the household received from the boarder for lodging and meals:

- \* The cost of the thrifty food plan for a household size that is equal to the number of boarders; or
- \* The actual documented cost of providing room and meals if the actual cost exceeds the thrifty food plan. If actual costs are used, only separate and identifiable costs of providing room and board to the boarder are excluded.

### **1016.15.50.10     *Deductible Expenses***

REV:05/1986

The net income from self-employment is added to other earned income and the twenty percent (20%) earned income deduction is applied to the total. Shelter costs which the household actually incurs, even if the boarder contributes to the household for part of the household's shelter expenses, is computed to determine if the household receives a shelter deduction. However, the shelter costs must not include any shelter expenses paid directly by the boarder to a third party, such as to the landlord or utility company.

## **1016.20            INCOME/RESOURCES OF INELIGIBLE MEMBERS**

REV:02/1989

During the period of time that a household member cannot participate because s/he:

- \* is an ineligible alien;
- \* is ineligible for failing to sign the DHS/SAV-1 attesting to his/her U.S. citizenship or alien status;
- \* is ineligible because of disqualification for an intentional program violation (IPV);
- \* is ineligible because of disqualification for failure or refusal to obtain or provide an SSN; or,
- \* is ineligible because a sanction has been imposed while s/he was participating in a household disqualified for failing to comply with work registration requirements;

the eligibility and benefit level of any remaining household members must be determined in accordance with the procedures delineated in Sections 1016.20.05 through 1016.20.15.

### **1016.20.05            Ineligible due to IPV or E & T Sanction**

REV:05/2005

The eligibility and benefit level of any remaining household members of a household containing an individual(s) ineligible because of disqualification for an intentional program violation or individual(s) (non-head(s) of household) disqualified for failure to comply with any of the work requirements in Section 1004.25 are determined as follows:

## Income, Resources and Deductible Expenses

The income and resources of the ineligible household member(s) continue to count in their entirety, and the entire household's allowable earned income, standard, medical, dependent care, and excess shelter deductions continue to apply to the remaining household members.

### Eligibility and Benefit Level

The ineligible member is not included when determining the household's size for the purpose of:

- \* Assigning a benefit level to the household;
- \* Comparing the household's monthly income with the income eligibility standards; or
- \* Comparing the household's resources with the resource eligibility limits. The agency representative must ensure that no household's coupon allotment is increased as a result of the exclusion of one or more household member(s).

## **1016.20.10 Other Ineligible Household Members**

REV:07/2006

Use the following procedures to determine the eligibility and benefit level of any remaining household member(s) of a household containing an individual determined ineligible for food stamp benefits because s/he:

- \* Is an ineligible alien;
- \* Failed to attest to his/her citizenship or alien status when applying for food stamps; or
- \* Was disqualified for refusal to obtain or provide an SSN.

### Resources

The resources of such an ineligible member(s) continue to count in their entirety to the remaining household members.

### Income

A pro-rata share of the income of such an ineligible member(s) is counted as income to the remaining members. This pro-rata share is calculated by first subtracting the allowable exclusions from the ineligible members' income and dividing the income evenly among the household members, including the ineligible members.

All but the ineligible members' share is counted as income for the remaining household members. Family Independence Program (FIP) cash assistance shall be prorated evenly among the persons included in and covered by the cash assistance payment. However, if the ineligible member receives no income of his or her own, the FIP payment shall not be prorated.

### Deductible Expenses

The twenty percent (20%) earned income deduction applies to the pro-rated income earned by such an ineligible member(s) which is attributed to the household. That portion of the household's allowable shelter and dependent care expenses which are either paid by or billed to the ineligible members(s), is divided evenly among the household's members, including the ineligible member(s). All but the ineligible

members' share is counted as a deductible shelter or dependent care expense for the remaining household members. If the expense is paid in full by an eligible member, the expense is allowed in full for the household.

If a household contains an ineligible member with no income of his/her own, the full shelter and/or dependent care costs are allowed in the determination of eligibility and benefit level for the Food Stamp Program.

#### Eligibility & Benefit Level

Such an ineligible member(s) must not be included when determining the household's size for the purposes of:

- \* Assigning a benefit level to the household;
- \* Comparing the household's monthly income with the income eligibility standards; or,
- \* Comparing the household's resources with the resource eligibility limits.

### **1016.20.15 Reduction or Termination of Benefits**

REV:06/1988

Whenever an individual is determined ineligible within the household's certification period, the agency must determine the eligibility or ineligibility of the remaining household members based, as much as possible, on information in the case file.

#### Determined Ineligible for IPV

If a household's benefits are reduced or terminated within the certification period because one of its members was determined ineligible because of disqualification for intentional program violation, the agency must notify the remaining members of their eligibility and benefit level at the same time the ineligible member is notified of his/her disqualification. The household is not entitled to a notice of adverse action but may request a fair hearing to contest the reduction or termination of benefits.

#### Determined Ineligible for Other Reasons

If a household's benefits are reduced or terminated within the certification period because one or more of its members is an ineligible alien, is ineligible because a sanction has been imposed while s/he was participating in a household disqualified for failing to comply with work requirements, or ineligible because s/he was disqualified for refusal to obtain or provide an SSN, the agency must issue a notice of adverse action in accordance with Section 1018.10 which informs the household of the ineligibility, the reason for the ineligibility, the eligibility and benefit level of the remaining members, and the action the household must take to end the ineligibility.

### **1016.25 INCOME/RESOURCES OF A NONHOUSEHOLD MEMBER**

REV:07/1986

For all other nonhousehold members as defined in Section 1002.20., who are not specifically mentioned in 1016.20., such as a roomer, the income and resources of

such individuals must not be considered available to the household with whom the individual resides. Voluntary cash payments from a nonhousehold member to the household are considered income under the normal income standards. Vendor payments are excluded as income. If the household shares deductible expenses with the nonhousehold member, only the amount actually paid or contributed by the household is deducted as a household expense. If the payments or contributions cannot be differentiated, the expenses must be prorated evenly among persons actually paying or contributing to the expense and only the household's pro rata share is deducted.

Consideration of Income When the earned income of one or more household members and the earned income of a nonhousehold member are combined into one wage, the income of the household member(s) is determined as follows:

- \* If the household's share can be identified, the agency representative counts that portion due to the household as earned income.
- \* If the household's share cannot be identified, the agency representative must prorate the earned income among all those whom it was intended to cover and counts that prorated portion to the household.

#### Determination of Benefit Level

Such nonhousehold members must not be included when determining the size of the household for the purposes of:

- \* Assigning a benefit level to the household;
- \* Comparing the household's monthly income with the income eligibility standards; or
- \* Comparing the household's resources with the resources eligibility limits.

## **1016.30 FIP AND GPA HOUSEHOLDS**

REV:01/2002

To facilitate participation in the program, households in which members are applying for FIP and/or GPA (AP households) must be allowed to complete a joint application for food stamp benefits at the same time they apply for such assistance. These households' food stamps eligibility and benefit levels are based solely on food stamp eligibility criteria. Households in which all members are applying for GPA may apply jointly for GPA and food stamp benefits but must not be considered categorically eligible for food stamps.

The joint application processing procedures in this section are used for a food stamp household in which some members are receiving FIP and/or GPA and others are receiving SSI. A household consisting of some members who are receiving FIP/GPA/SSI and some not receiving assistance also may file a joint application for food stamp benefits.

The FIP and GPA application form contains all the information necessary to determine a household's food stamp eligibility and level of benefits. The application has a place for the household to indicate if it does not wish to apply for food stamps. The application clearly indicates that the household is providing information for

both programs, is subject to the criminal penalties of both programs for false statements, and waives the notice of adverse action.

### **1016.30.05           Categorically Eligible Households**

REV:01/2002

A household in which all members are recipients of FIP and/or SSI is eligible for food stamps because of its FIP/SSI status in accordance with Section 1016.40. A recipient includes: a person authorized to receive FIP and/or SSI benefits but who has not yet received a payment; a person whose FIP or SSI benefits are suspended or being recouped; and a person entitled to FIP benefits but who is not paid such benefits because the grant is less than ten dollars (\$10). A person who is entitled to Medicaid (MA) only is not considered a recipient of FIP or SSI benefits.

A resident of a public institution who applies jointly for SSI and food stamps prior to his/her release from the institution, is not categorically eligible for food stamps upon a finding by SSA of potential SSI eligibility prior to release. This individual is considered categorically eligible at such time as a final SSI eligibility determination has been made and the individual has been released from the institution.

Households, whether jointly processed and/or categorically eligible for food stamps, must be certified in accordance with the notice, procedural, and timeliness requirements of the Food Stamp Program regulations.

### **1016.30.10           Single AP and FSP Interview**

REV:11/1986

The agency representative must conduct a single interview at the initial application for both public assistance (AP) and food stamp purposes. AP households are not required to see a different agency representative or otherwise be subjected to two interview requirements in order to obtain the benefits of both programs.

Following the single interview, the application may be processed by separate workers to determine eligibility and benefit levels for food stamps and AP. A household's eligibility for the food stamp out-of-office interview provision does not relieve the household of any responsibility for a face-to-face interview in order to be certified for public assistance.

### **1016.30.15           Verification Standard**

REV:11/1986

For households applying for both public assistance and food stamps, the verification procedures described in Section 1002.60., must be followed for those factors of eligibility which are needed solely for purposes of determining the household's eligibility for food stamps. For those factors of eligibility which are needed to determine both AP and food stamp eligibility, the agency representative may use the AP verification rules.

However, the agency representative must not delay the household's food stamp benefits if, at the end of thirty (30) days following the date the application was filed, the agency representative has sufficient verification to meet the verification for food

stamp purposes but does not have sufficient verification to meet the AP verification rules.

### **1016.30.20 Timeliness Standard**

REV:01/2002

In order to determine if a household is categorically eligible due to its status as a recipient FIP/SSI household, the agency may temporarily postpone, within the thirty (30) day processing standard, the food stamp eligibility determination if the household is not entitled to expedited service and appears to be categorically eligible. The agency should postpone denying a potentially categorically eligible household until the 30th day in case the household is determined eligible for FIP and/or SSI benefits.

Once the FIP and/or SSI application is approved, the household is considered categorically eligible if it meets all the categorically eligible criteria in Section 1016.40.

Action on the food stamp portion of the application must not be delayed nor may the application be denied on the grounds that the AP determination has not been made. If the agency can anticipate the amount and the date of receipt of the initial AP payment but the payment is not received until a subsequent month, the agency must vary the household's food stamp benefit level according to the anticipated receipt of the payment and so notify the household. The portion of the initial AP payment intended to retroactively cover a previous month is disregarded as a lump sum payment. If the amount or date of receipt of the initial AP payment cannot be reasonably anticipated at the time of the food stamp eligibility determination, the AP payment must be handled as a change in circumstances. However, the agency is not required to send a notice of adverse action if the receipt of the AP grant reduces, suspends or terminates the household's food stamp benefits, provided the household was notified in advance that its benefits may be reduced, suspended or terminated when the AP grant is received.

### **1016.30.25 Income/Resource Standards for AP Households**

REV:01/2002

All income received by the AP household, including the FIP, GPA, or SSI grant, any special allowances, and any other income, is counted in determining the net monthly food stamp income for basis of issuance purposes unless otherwise excludable for food stamp purposes. Exemptions from income allowed under AP plans for purposes of grant computation are not allowed in determining income for food stamp purposes. AP households receive only the income exclusions and deductions provided in Sections 1008.10 and 1008.20.

### **1016.30.30 Certification Periods for AP Households**

REV:11/1986

A household in which all members are contained in a single AP grant should have its food stamp recertification completed, to the extent possible, at the same time it is redetermined for AP.

The agency representative assigns such households a food stamp certification period which expires at the same time as the household's AP redetermination date. In no event must food stamp benefits be continued beyond the end of a certification period.

If an AP household has not had its AP redetermination, and the food stamp recertification is due at the same time, the agency representative must ensure that the food stamp recertification is timely completed. A computer list is generated and the agency representative sends the household a notice of the expiration of its food stamp certification period and recertifies the household in accordance with Section 1018.15.

### **1016.30.35 Reporting Changes**

REV:11/1986

Households are not required to report changes in the assistance payment grant. Since the agency representative has prior knowledge of all changes in the assistance payment grant, action must be taken on this information.

Except for AP grant changes, AP households have the same reporting requirements as any other food stamp household, and should use the food stamp change report form. AP households which report a change in circumstances to the AP worker are considered to have reported the change for food stamp purposes.

### **1016.30.40 Actions on Reported Changes**

REV:01/2002

A household must be notified whenever its benefits are altered as a result of changes in the AP benefits or whenever the food stamp certification period is shortened to reflect a change in the household's circumstances. If the certification period is shortened, the household's certification period must not end any earlier than the month following the month in which the agency representative determines that the certification period should be shortened. Adequate time for the agency representative to send a notice of expiration and for the household to timely reapply must be allowed. If the AP benefits are terminated but the household is still eligible for food stamps benefits, members of the household must be advised of food stamp work registration requirements, as appropriate.

### **1016.30.45 Changes with Sufficient Information**

REV:11/1986

Whenever a change results in the reduction or termination of the household's AP benefits within its food stamp certification period, and the agency representative has sufficient information to determine how the change affects the household's food stamp eligibility and benefit level, the agency representative takes the following actions:

- \* If a change in household circumstances requires both a reduction or termination in the AP payment and a reduction or termination in food stamp benefits, the agency representative must issue a notice of adverse action for both the AP and food stamp actions. If the household

requests a hearing within the period provided by the notice of adverse action, the household's food stamp benefits should be continued on the basis authorized immediately prior to sending the notice. If the hearing is requested for both programs' benefits, the hearing is conducted according to AP procedures and timeliness standards. However, the household must reapply for food stamp benefits if the food stamp certification period expires before the hearing process is completed. If the household does not appeal, the change is made effective in accordance with the procedures specified in Section 1018.05.

- \* If the household's food stamp benefits are increased as a result of the reduction or termination of AP benefits, the agency representative issues the AP notice of adverse action, but does not take any action to increase the household's food stamp benefits until the household decides whether it will appeal the adverse AP action. If the household decides to appeal and its AP benefits are continued, the household's food stamp benefits may continue at the previous basis. If the household does not appeal, the agency representative makes the change effective in accordance with the procedures specified in Section 1018.05 except that the time limits for the agency representative to act on changes which increase a household's benefits are calculated from the date the AP notice of adverse action period expires.

## **1016.30.50            Changes without Sufficient Information**

REV:11/1986

Whenever a change results in the termination of a household's AP benefits within its food stamp certification period, and the agency representative does not have sufficient information to determine how the change affects the household's food stamp eligibility and benefit level (such as when an absent parent returns to a household, rendering the household ineligible for public assistance, and the agency representative does not have any information on the income of the new household member), the agency representative does not terminate the household's food stamp benefits but instead takes the following action:

- \* Where a AP notice of adverse action has been sent, the agency representative waits until the household's notice of adverse action period expires or until the household requests a hearing, whichever occurs first. If the household requests a hearing and its AP benefits are continued pending the appeal, the household's food stamp benefits are continued on the same basis.
- \* If a AP notice of adverse action is not required, or the household decides not to request a fair hearing and continuation of its AP benefits, the agency representative Y        sends the household a notice of expiration which informs the household that its certification period will expire at the end of the month following the month the notice of expiration is sent and that it must reapply at the Food

Stamp office handling NPA households if it wishes to continue to participate. The notice of expiration must also explain to the household that its certification period is expiring because of changes in its circumstances which may affect its food stamp eligibility and benefit level.

## **1016.30.55      Mass Changes in Public Assistance**

REV:11/1986

When an overall adjustment to public assistance payments is made, corresponding adjustments in households' food stamp benefits are handled as a mass change. When there is at least thirty (30) days advance knowledge of the amount of the public assistance adjustment, food stamp benefits must be recalculated to be effective in the same month as the public assistance change. If there is not sufficient notice, the food stamp change must be effective not later than the month following the month in which the public assistance change was made.

A notice of adverse action is not required when a household's food stamp benefits are reduced or terminated as a result of a mass change in the public assistance grant. However, the agency sends individual notices to such households to inform them of the change. If a household requests a fair hearing, benefits are continued at the former level only if the issue being appealed is that food stamp eligibility or benefits were improperly computed.

## **1016.35      SSI HOUSEHOLDS**

REV:11/1986

On January 1, 1974, the SSI program for the aged, blind, and disabled replaced the former federally aided public assistance categories of OAA, AB, and APTD in the 50 states and the District of Columbia. Due to the specific provisions of law, SSI recipients require special handling for food stamp purposes.

## **1016.35.05      SSI/Food Stamp Joint Application Process**

REV:01/2002

Households applying simultaneously for SSI and food stamps must be subject to food stamp eligibility criteria, and benefit levels must be based solely on such criteria until the household is considered categorically eligible. However, households in which all members are either FIP or SSI recipients or are authorized to receive FIP or SSI benefits as defined in Section 1016.40., must be eligible for food stamps based on their FIP/SSI status in accordance with the provisions for categorical eligibility for food stamps.

When a household, with an SSI application pending, is denied food stamps as an NPA household, it must be informed on the notice of denial of the possibility of categorical eligibility if the person becomes an SSI recipient.

## **1016.35.10      SSA Responsibility**

REV: 08/2006

The SSA will accept and complete food stamp applications received at the SSA office from SSI households and forward them, attached to a transmittal form (FSP-100), within one (1) working day after receipt of a signed application to the food stamp office. SSA must verify those items for which verification can be made at the time of the interview from either SSA records or from documents provided by the applicant.

The SSA also refers non-SSI households and those in which not all members have applied for or receive SSI to the food stamp office. Applications from such households are considered filed on the date the signed application is taken at the food stamp office, and the normal and expedited processing time standards begin on that date.

The SSA must also screen all applications for entitlement to expedited services on the day the application is received at the SSA office and should mark "Expedited Processing" on the first page of all applications which appear to be entitled to such service. The SSA informs households which appear to meet the criteria for expedited service that benefits may be issued sooner if the household applies directly at the food stamp office. The household may take the application from SSA to the food stamp office for screening and processing of the application.

If SSA takes an SSI application or redetermination on the telephone from a member of a pure SSI household, a food stamp application must also be completed during the telephone interview. In such cases, the food stamp application is mailed to the claimant for signature and for return to either the SSA office or the food stamp office. SSA should forward any food stamp applications it receives to the food stamp office.

The SSA sends a notice to SSI recipients redetermined for SSI, by mail, informing them of their right to file a food stamp application at the SSA office (if they are members of a pure SSI household) or at their local food stamp office, and their right to an out-of-office food stamp interview to be performed by an agency representative if the household is unable to appoint an authorized representative.

SSA distributes an information sheet, provided by the DHS, to all pure SSI households informing such households of the address and telephone number of the household's correct food stamp office; the remaining actions to be taken in the application process; and, a statement that a household should be notified of the food stamp determination within thirty (30) days and can contact the food stamp office if it receives no notification within thirty (30) days, or has other questions or problems. It also includes the client's rights and responsibilities (including fair hearings, authorized representatives, out-of-office interviews, reporting changes and timely reapplication), information on how and where to obtain food stamp benefits, and how to use food stamp benefits (including the commodities clients may purchase with the food stamp benefits).

## **1016.35.15      DHS Responsibility**

REV:09/1987

Except for applications taken from residents of public institutions prior to their release, the food stamp office must make an eligibility determination and issue food stamp benefits to eligible SSI households within thirty (30) days following the date the application was received by the SSA. Applications are considered filed for normal processing purposes when the signed application is received by SSA. The expedited processing time standards begins on the date the food stamp office receives a food stamp application. Food stamp applications and supporting

documentation sent to an incorrect food stamp office must be sent to the correct office by the receiving office within one (1) working day of their receipt.

The agency must make an eligibility determination and issue food stamp benefits to a resident of a public institution who applies jointly for SSI and food stamps within thirty (30) days following the date of his/her release from the institution. Expedited processing time standards for such an applicant must also begin on the date of his/her release from the institution. SSA will notify the DHS of the date of the applicant's release. If, for any reason, DHS is not notified on a timely basis of the applicant's release, the Department must restore lost benefits, in accordance with Section 1020, back to the date of release.

The food stamp office should not require pure SSI households to see an agency representative or to have an additional interview.

The food stamp application is processed by the food stamp office. The food stamp office should not contact the household further in order to obtain information for certification for food stamp benefits, unless:

- \* the application is improperly completed;
- \* mandatory verification is missing; or,
- \* certain information on the application is determined to be questionable.

In no event would the applicant be required to appear at the food stamp office to finalize the eligibility determination.

The food stamp office should screen all applications received from the SSA for entitlement to expedited service on the day the application is received at the correct food stamp office. All SSI households entitled to expedited service are certified in accordance with procedures explained in Section 1016.10 except that the expedited processing time standard begins on the date the application is received at the correct food stamp office.

### **1016.35.15.05      *Verification***

REV:09/1987

The food stamp office should ensure that information required in accordance with Section 1002.60 is verified prior to certification for initial application. A household entitled to expedited certification services is processed in accordance with procedures described in Section 1016.10.

SSI benefit payments may be verified through information supplied by SSA or through verification provided by the household.

### **1016.35.20      *Certification Period***

REV:01/2002

The food stamp office certifies pure SSI households in accordance with Section 1012.10.15.25 or 1012.10.15.30, as appropriate. In jointly processed cases in which the SSI determination results in denial and the agency representative believes that food stamp eligibility or benefit levels may be affected, the agency representative

sends the household a notice of expiration advising that the certification period will expire the end of the month following the month in which the notice is sent and that it must reapply if it wishes to continue to participate. The notice must also explain that its certification period is expiring because of changes in circumstances which may affect food stamp eligibility or benefit levels and that the household may be entitled to an out-of-office interview.

### **1016.35.25            Changes in Circumstances**

REV:11/1981

Households must report changes in accordance with the requirements in Section 1018.05.05. The agency representative processes changes in accordance with Section 1018.05.15.

Within ten (10) days of learning of the determination of the application for SSI through SDX, the household, advisement from SSA, or from any other source, the agency should take required action in accordance with Section 1018.05.15.

### **1016.35.30            Restoration of Lost Benefits**

REV:11/1981

The agency representative must restore to the household benefits which were lost whenever the loss was caused by an error by the food stamp office or by the SSA office through joint processing.

Such an error includes, but is not limited to, the loss of an applicant's food stamp application after it has been filed with SSA. Lost benefits are restored in accordance with Section 1020.

### **1016.35.35            Recertification**

REV:01/2002

The agency must provide SSI households with a notice of expiration in accordance with Section 1018.15.05 except that such notification should inform households consisting entirely of SSI recipients that they are entitled to a waiver of a face-to-face interview if the household is unable to appoint an authorized representative.

The agency representative must complete the application process and approve or deny timely applications for recertification in accordance with procedures in Section 1018.05.

Pure SSI households which have received a food stamp notice of expiration are entitled to make a timely application for food stamp recertification at the SSA office. SSA must accept the application of a pure SSI household and forward the completed application, transmittal form and any available verification to the food stamp office. When SSA accepts and refers the application in such a situation, the household must not be required to appear at a second office interview, although the agency representative may conduct an out-of-office interview, if necessary.

In cases where pure SSI households apply for food stamp recertification at the SSA office, an application must be considered filed for normal processing purposes when the signed application is received by SSA.

### **1016.35.40 Work Registration**

REV:01/2002

A household member who is applying simultaneously for SSI and food stamps has the requirement for work registration waived until:

- \* s/he is determined eligible for SSI and is thereby exempt from work registration; or,
- \* s/he is determined ineligible for SSI and, when applicable, a determination of her/his work registration status must then be made through recertification procedures in accordance with Section 1016.35.35, or through other means.

### **1016.40 CATEGORICALLY ELIGIBLE HOUSEHOLDS**

REV:01/2002

Any household (except those listed in Section 1016.40.20) in which all members receive, or are authorized to receive, FIP and/or SSI benefits is considered eligible for food stamps because of its members' status as FIP and/or SSI recipients.

A household which receives zero FIP benefits is considered as authorized to receive benefits from the FIP or SSI program.

Categorical eligibility must also be assumed at recertification in the absence of a timely FIP redetermination. If a food stamp household is subsequently terminated from FIP benefits at the redetermination, the procedures in Section 1018.05.15 pertaining to changes are followed.

#### **1016.40.05 Eligibility Factors Deemed**

REV:01/2002

The eligibility factors which are deemed for food stamp eligibility without the required verification because of the household's FIP or SSI status are:

- \* the resource limit;
- \* the gross and net income limits;
- \* social security number information;
- \* sponsored alien information; and
- \* residency.

#### **1016.40.10 Verification of Questionable Factors**

REV:01/2002

If any of the following factors are questionable, the agency must verify, in accordance with Section 1002.60, that the household which is considered categorically eligible:

- \* Contains only members who are FIP or SSI recipients;
- \* Meets the household definition (Section 1002.15);
- \* Includes all persons who purchase and prepare food together in one food stamp household regardless of whether or not they are separate units for FIP or SSI purposes; and
- \* Includes no person(s) who has been disqualified from the Food Stamp Program.

### **1016.40.15        Households Not Categorically Eligible**

REV:07/1999

Under no circumstances should any household be considered categorically eligible if any member of that household is disqualified for:

- \* An intentional program violation in accordance with Section 1034; or
- \* Failure to comply with the work requirements in Section 1004.25.

These households are subject to all food stamp eligibility and benefit provisions.

### **1016.40.20        Persons Not Considered Household Members**

REV:11/1986

No person is included as a member in any household that is otherwise categorically eligible if that person is:

- \* An ineligible alien as defined in Section 1004.20.;
- \* An ineligible student under the provision in Section 1004.35.; or,
- \* A person who is institutionalized in a non-exempt facility as defined in Section 1002.40.

### **1016.40.25        Timeliness Standards**

REV:01/2002

For a household filing a joint application for FIP and food stamp benefits, or a household which has a FIP and/or SSI application pending, and that is denied food stamps but is later determined eligible to receive FIP and/or SSI and is otherwise categorically eligible, the agency must provide benefits using the original application and any other pertinent information occurring subsequent to that application. Except for residents of public institutions who apply for SSI and food stamp benefits prior to their release from a public institution, food stamp benefits

must be paid from the beginning of the period for which FIP or SSI benefits are paid, the original food stamp application date or December 23, 1985, whichever is later. For this reason, the denied application of a potentially categorically eligible household should be easily retrievable.

The agency must not interview the household again but should use any available information to update the application and/or make either mail or telephone contact with the household (or its authorized representative) to determine any change in circumstances. Any change must be initialed and the updated application resigned by an authorized household member or the authorized representative. In no event can benefits be provided prior to the date of the original food stamp application filed on or after December 23, 1985.

Any household which is determined eligible for FIP within the thirty (30) day food stamp processing time and is categorically eligible for food stamps must be provided benefits back to the date of the food stamp application. Benefits for this initial month are prorated in accordance with Section 1038.35.

For a household which files a joint application and is subsequently found categorically eligible after being denied food stamps, its benefits for the initial month must be prorated from the date from which the FIP or SSI benefits are payable or the date of the original food stamp application, whichever is later.

The agency must reevaluate the original application either at the household's request or when it becomes otherwise aware of the household's FIP and/or SSI eligibility. Such a household must be informed on its notice of denial to notify the agency if its FIP or SSI benefits are approved.

For a household which files a joint application for food stamps and AP, and whose AP application is subsequently denied, its food stamp eligibility is determined or continued on the basis of the original application filed jointly for AP and food stamp purposes and any other documented information obtained subsequent to the application which may have been used in the AP determination and which is relevant to food stamp eligibility or level of benefits.

In this instance, a copy of the application form is made, as well as any information pertinent to the food stamp portion of the case and forwarded to the appropriate Food Stamp Certification Office, attention of the Supervisor.

The agency must notify a household of the need for a new application. If a required new application is filed within thirty (30) days of the original application, the filing date of the new application must be the original filing date of the joint application.