1010 CALCULATING SNAP BENEFITS

1010.05 DETERMINING MONTHLY SNAP INCOME

REV:07/1986

This section delineates the techniques for determining a household's net SNAP monthly income. Application of these techniques to special household situations is discussed in Section 1014.

Most households have the eligibility determination based on circumstances for the entire calendar month in which the household filed its application. A household's eligibility is determined for the month of application by considering the household's circumstances for the entire month of application.

Applicant households, consisting of residents of a public institution who apply jointly for SSI and SNAP benefits prior to release from the public institution, have their eligibility determined for the month in which the applicant household is released from the institution.

1010.05.05 Initial Month's Benefit Level

REV:01/1997

A household's benefit level for the initial month of certification is based on the day of the month it applies for benefits. A household applying for benefits on or before the fifteenth (15th) of the month receives benefits prorated from the day of application to the end of the month. A household applying after the fifteenth (15th) of the month receives benefits prorated from the application date to the end of the month plus benefits for the first full month of participation in a combined allotment. For initial month benefit calculations, see Section 1038.35.

The term "initial month" means 1) the first month for which an allotment is issued to a household, 2) the first month for which an allotment is issued to a household following any period in which such household was not participating in the Supplemental Nutrition Assistance Program after the expiration of a certification period or after termination of the certification of a household during its certification period, when the household became ineligible after notice and opportunity for hearing, and 3) in the case of a migrant or seasonal farmworker household, the first month for which such a household is certified for participation in SNAP following any period of more than thirty (30) days during which the household was not certified for participation.

The amount of the prorated allotment is determined by INRHODES.

Allotments are based on a standard thirty day calendar month.

Therefore, a household applying on the thirty-first (31st) of a month is treated as though it applied on the thirtieth (30th) day of the month.

For a household applying for SSI and SNAP benefits prior to release from a public institution, the benefit level for the initial month of certification is based on the date of the month the household is released from the institution. The household receives benefits prorated from the date of release from the institution to the end of the month, if the date of release is on or before the fifteenth (15th) of the month. If the release date is after the fifteenth (15th), a combined allotment of the prorated initial month's and first full month's benefits are issued.

1010.05.10 Recertification

REV:07/1999

Eligibility at recertification must be determined based on circumstances anticipated for the new certification period starting with the month following the expiration of the current certification period. The level of benefits at recertification must be based on the same anticipated circumstances.

If an application for recertification is submitted after the household's certification period has expired, that application is considered an initial application and benefits for that month must be prorated in accordance with Section 1010.05.10. In addition, if the household submits an application for recertification prior to the end of its current certification period but is found ineligible for the first month following the end of the certification period, then the first month of any subsequent participation is considered an initial month.

Conversely, if the household submits an application for recertification prior to the end of its current certification period and is found eligible for the first month following the end of the certification period, then that month is not an initial month.

Any household that receives the notice of expiration at the time of certification as discussed in Section 1018.15.05 is not subject to proration for the first month of their new certification period if the deadline for filing an application for recertification falls after the end of their current certification period. However, such households found ineligible for the first month following the end of the certification must have the first month of any subsequent participation considered an initial month.

1010.05.15 Anticipated Changes

REV:07/1986

Because of anticipated changes, a household may be eligible for the month of application, but ineligible in the subsequent month.

The household is entitled to benefits for the month of application even if the processing of its application results in the benefits being issued in the subsequent month. Similarly, a household may be ineligible for the month of application, but eligible in the subsequent month due to anticipated changes in circumstances. Even though denied

for the month of application, the household does not have to reapply in the subsequent month. The same application, used for the denial for the month of application, is used for the determination of eligibility for subsequent months, within the timeliness standards in 1002.65.

1010.05.20 Changes in Allotment Levels

REV:07/1986

As a result of anticipating changes, the household's allotment for the month of application may differ from its allotment in subsequent months. The agency representative establishes a certification period for the longest possible period over which changes in the household's circumstances can be reasonably anticipated. The household's allotment varies from month-to-month at the time of certification, unless the household elects the averaging techniques in 1010.15.

1010.10 ANTICIPATING INCOME - PROSPECTIVE BUDGETING

REV:07/1999

For the purpose of determining a change-reporting household's eligibility and monthly allotment, the agency representative takes into account the income already received by the household during the certification period and any anticipated income the household and the agency representative are reasonably certain will be received during the remainder of the certification period.

If the amount of income that will be received, or when it will be received, is uncertain, the portion of the household's income that is uncertain is not counted by the agency representative.

For example, a household anticipating income from a new source, such as unemployment compensation, may be uncertain as to the timing and amount of the initial payment. These monies are not anticipated by the agency representative unless there is reasonable certainty concerning the month that the payment will be received and the amount. If the exact amount of the income is not known, that portion which is anticipated with reasonable certainty is considered income. In cases where the receipt of income is reasonably certain but the monthly amount may fluctuate, the household may elect to average income as described in Section 1010.15.

1010.10.05 Income in Past Thirty (30) Days

REV:08/1987

Income received during the past thirty days is used as an indicator of anticipated income. However, past income is not used for any month in which a change in income has occurred or can be anticipated. If income fluctuates to the extent that a 30- day period alone cannot provide an accurate indication of anticipated income, the agency representative may use a longer period of past time if it provides an accurate indication of anticipated income.

If the household's income fluctuates seasonally, it may be appropriate to use the most recent season comparable to the certification period, rather than the last thirty (30) days, as one indicator of anticipated income. However, the agency representative must exercise caution in using income from a past season as an indicator of income for the certification period.

In many cases of seasonally fluctuating income, the income also fluctuates from one season in one year to the same season in the next year. In no event may the agency representative automatically attribute to the household the amounts of any past income. The agency representative may not use past income as an indicator of anticipated income when changes in income have occurred or can be anticipated during the certification period.

1010.10.10 Anticipated Income for Month Received

REV:08/1987

Income anticipated during the certification period is counted as income only in the month it is expected to be received, unless the income is averaged as allowed in 1010.15. Non-recurring lump-sum payments are counted as a resource starting in the month received and are not counted as income.

1010.10.15 Cases with Earnings

REV:07/1999

In cases where the head of the household is steadily employed, income from previous months is usually a good indicator of the amount of income which can be anticipated in the month of application and subsequent months. The method used to determine income must be fully documented in the case file and annotated in the Case Chronology (CLOG) in INRHODES.

Hourly and Piece Work Wages

When income is received on an hourly wage or piece work basis, weekly income may fluctuate if the wage earner works less than eight (8) hours some days or is required to work overtime on others.

When determining the amount of anticipated income for a change reporting/prospectively budgeted case, review pay stubs from the previous four (4) weeks in order to determine a weekly average.

Withheld Wages

Wages withheld at the request of the employee must be considered income to the household in the month the wages would otherwise have been paid by the employer. However, wages withheld by the employer as a general practice, even if in violation of law, are not counted as income to the household, unless the household anticipates that it will ask for and receive an advance, or the household anticipates that it will receive income from wages that were previously held by the employer as general

practice and that were, therefore, not previously counted as income by the agency.

Advances on wages must only count as income if reasonably anticipated as defined in 1010.10.

1010.10.20 Assistance Payments

REV:01/2002

Households receiving federal or state assistance payments, such as RIW or GPA benefits, SSI benefits, or Social Security payments on a recurring basis, must not have their monthly income from these sources varied merely because mailing cycles may cause two payments to be received in one month and none in the next month.

1010.15 AVERAGING INCOME

REV:08/1987

For non-monthly reporting prospective budgeting cases, whenever a full month's income is anticipated but is received on a weekly or bi-weekly basis, the agency representative converts the income to a monthly amount by use of the AP conversion table (AP-79) or multiplying the weekly income by 4.3333.

1010.15.05 Annual Income in Shorter Period

REV:11/1994

A household that, by contract or self-employment, derives its annual income in a period of time shorter than one year has such income averaged over a 12-month period, provided the income from the contract is not received on an hourly or piece work basis.

Examples of such households may include school employees, share croppers, farmers and other self-employed households. However, these provisions do not apply to migrant or seasonal farm workers. The procedures for averaging self-employed income are described in Section 1016.15. Such income shall not affect more budget months than the number of months in the period over which it is annualized or prorated.

1010.15.10 Averaging Educational Assistance

REV:08/1987

A household that receives a scholarship, deferred education loan, or other educational grants, has such income, after exclusions, averaged over the period for which it was provided.

1010.15.15 When Averaging Income is an Option

REV:01/2002

Households may elect to have income averaged. Income must not be averaged for a destitute household since averaging would result in assigning to the month of application income from future periods which is not available to the destitute household for its current food needs. To average income, the agency representative uses the household's anticipation of income fluctuations over the certification period. The number of months used to arrive at the average income need not be the same as the number of months in the certification period. For example, if fluctuating income for the past thirty (30) days and the month of application are known and, with reasonable certainty, are representative of the income fluctuations anticipated for the coming year, the income from the two known months may be averaged and projected over a certification period of longer than two months.

1010.20 DETERMINING DEDUCTIONS

REV:05/2005

Deductible expenses include only certain medical, dependent care, and shelter costs as described in 1008.20.15, 1008.20.20, and 1008.20.25. Education expenses, the cost of doing business for the self-employed, and legally obligated child support paid to a person not in the household are not deductions but are instead income exclusions, and are handled in accordance with Section 1014.20.15 (student households), Section 1016.15.20 (self- employed households), and Section 1008.20.22 (child support payments).

Categorically eligible SSI recipients entitled to the excess medical deduction and the uncapped shelter expense must receive such deductions, if they incur such expenses, for the period for which they are authorized to receive SSI benefits or the date of the SNAP application whichever is later as discussed in the categorical eligibility provisions (Section 1016.40). Such individuals who are entitled to restored benefits in accordance with those provisions must have their benefits restored using these special deductions if they have such expenses.

1010.20.05 Disallowed Expenses

REV:12/1994

An expense covered by either an excluded reimbursement or vendor payment, except an energy assistance vendor payment made under the Low Income Home Energy Assistance Act of 1981, is not deductible. For example, the portion of rent covered by an excluded vendor payment such as a Section 8 housing subsidy, is not calculated as part of the household's shelter costs.

Furthermore, expenses are only deductible if the service is provided by someone outside of the household, and the household makes a money payment for the service. For example, a dependent care deduction is not allowed if another household member provides the care, or compensation for the care is provided in the form of an in-kind benefit such as food.

If the household reports an allowable medical expense at the time of certification but cannot provide verification at that time, and if the amount of the expense cannot be reasonably anticipated based upon available information about the individual's medical condition and public or private medical insurance coverage, the household shall have the nonreimbursable portion of the medical expense considered at the time the amount of the expense or reimbursement is reported and verified.

1010.20.10 Billed Expenses Deducted in Month Due

REV:11/1986

Except as provided in 1010.20.20., a deduction is allowed in the month the expense is billed or otherwise becomes due, regardless of when the household intends to pay the expense. For example, rent which is due each month is included in the household's shelter costs, even if the household has not yet paid the expense. Amounts carried forward from past billing periods are not deductible even if included with the most recent billing and actually paid by the household. In any event, a particular expense may only be deducted once.

1010.20.15 Anticipating Expenses

REV:10/2012

The agency representative calculates a household's expenses based on those expenses the household expects to be billed for during the certification period. Anticipation of an expense is based on the most recent month's bills, unless the household is reasonably certain a change will occur. The SNAP allotment is adjusted for the remainder of the certification period and, if necessary, a supplemental allotment is provided for the month in which the change is verified. If only the most recent bill is available, the agency representative certifies the household up to the anticipated change. The agency representative does not average past expenses, such as utility bills for the last several months, as a method of anticipating utility costs for the certification period.

At certification and recertification, the household shall report and verify all medical expenses if it has not elected to take the standard medical deduction (those households with medical expenses over one hundred and seventy six dollars ($176)). At certification, households with medical expenses of one hundred and seventy six dollars ($176) or less, but over thirty five dollars ($35) per month will be given the standard medical deduction of one hundred and forty one dollars ($141). Participating households will remain eligible for the standard medical deduction at recertification if they declare that the medical expenses continue to exceed thirty five dollars ($35) per month. Verification is not required at recertification unless the declaration is questionable. Declaration is a verbal statement, written statement, or appropriate response to a question supplied on a form. No further verification is required.

The household's monthly medical deduction for the certification period shall be based on the information reported and verified by the household, and any anticipated changes that can be reasonably expected to occur during the certification period based on available information about the individual's medical condition, public or private health insurance coverage, and the current verified medical expenses. The household shall not be required to report changes in its medical expenses during the certification period. If the household voluntarily reports a change in its medical expenses, the worker will verify the change in accordance with procedures described in Section 1018.05.15.

1010.20.20 Averaging Expenses

REV:07/1995

Households may elect to have fluctuating expenses averaged.

Households may also elect to have expenses which are billed less often than monthly averaged forward over the interval between scheduled billings, or, if there is no scheduled interval, averaged forward over the period the expense is intended to cover. For example, if a household receives a single bill in February which covers a three-month supply of fuel oil, the bill may be averaged over February, March and April. The household may elect to have one-time only expenses averaged over the entire certification period in which they are billed.

Households reporting one-time only medical expenses during their certification period may elect to have a one-time deduction or to have the expense averaged over the remaining months of their certification period. Averaging begins the month the change becomes effective.

However, in averaging any one-time medical expense incurred by a household with a certification period longer than 12 months, the expenses incurred in the first 12 months will be averaged over the months remaining in that period. Expenses incurred in the second 12 months shall be averaged over the months remaining in that period.

1010.20.25 Averaging Energy Assistance Payments

REV:04/1987

Except for payments made under the Low Income Home Energy Assistance Act of 1981, any energy assistance payments which a household receives are prorated over the entire heating (or cooling) season for which the payment is intended to cover.

1010.25 METHOD FOR FIGURING NET MONTHLY INCOME

REV:10/2012

The following seven (7) steps lead to the determination of a household's SNAP monthly income. In this determination, the rounding technique described in Section 1010.25.10, must be applied.

1. Total Gross Income

Add the total gross monthly earned income of all household

members and the total monthly unearned income of all household members, minus income exclusions, to determine the household's total gross income. Net losses from the self-employment of a farmer are offset in accordance with Section 1016.15.35.

2. Net Monthly Income

Calculate the earned income deduction as described in Section 1038.07 and subtract that amount from the total gross income; add that to the total monthly unearned income, minus income exclusions.

3. Standard Deduction

Subtract the standard deduction found in Section 1038.05.

4. Excess Medical Deduction

If the household is entitled to an excess medical deduction as provided in 1010.20.15., determine if total medical expenses exceed thirty-five dollars ($35). If so, deduct the standard medical deduction of one hundred and forty one dollars ($141). If the household has medical expenses that exceed one hundred and seventy six dollars ($176) and it elects to verify actual expenses, subtract that portion of medical expenses in excess of thirty five dollars ($35).

5. Dependent Care Deduction

Subtract monthly dependent care expenses, if any.

6. Determining Any Excess Shelter Expense

Add allowable shelter expenses to determine total shelter costs. Subtract from total shelter costs fifty percent (50%) of the adjusted income (the household's monthly income after all the above deductions have been subtracted). The remaining amount, if any, is the excess shelter expense. If there is no excess shelter expense, the net monthly income has been determined. If there is an excess shelter expense, go to the next step.

7. Applying Any Excess Shelter Expense

Subtract the excess shelter expense up to the maximum amount allowed (unless the household is entitled to the full amount of its excess shelter expenses) from the household's monthly income after all other deductions. The maximum amount allowed for the shelter deduction, for those households subject to a shelter maximum, is found in Section 1038.15. For households not subject to a shelter maximum, subtract the full amount of shelter expenses exceeding fifty percent (50%) of net income. The result is the household's monthly net adjusted income.

1010.25.10 Rounding Technique for Calculating Income

REV:07/1987

In calculating net monthly income, each income information entry is rounded to a whole dollar amount by rounding down for each income entry that ends in 1 through 49 cents and rounding up for each income entry that ends in 50 through 99 cents. Any cents in gross weekly earnings are rounded to the nearest dollar after converting the weekly figure to the monthly figure. However, shelter expenses and medical costs are not rounded until totalled. Therefore:

1. Round to the nearest dollar:

   * Weekly income amounts after converting to monthly amounts;

   Example: $100.75 = $436.58 = $437.00

   * Monthly income before calculations.

   Example: RSDI - $225.63 = $226.00

2. Do not round individual shelter and medical costs until totalled.

Example		Example	
Mortgage	$118.50	Prescription	$12.98
Utilities	87.90	Eyeglasses	50.50
Taxes	9.80	Over-the-counter Medication	13.80
Insurance	12.40	Medicare premium	17.00
	$228.60		$94.25
Rounded =	$229.00	Rounded =	$94.00

1010.30 DETERMINING HOUSEHOLD ELIGIBILITY

REV:08/1986

Households which contain an elderly or disabled member, as defined below, must have their net income, as calculated in 1010.25, compared to the maximum net monthly income eligibility standards defined in Section 1038.25., Table II, for the appropriate household size to determine eligibility for the month.

All other households (which do not contain an elderly or disabled member), must have their gross monthly income compared to the gross monthly income eligibility standards defined in Section 1038.25., Table I, for the appropriate household size to determine eligibility for the month. Following that determination, such households have that income calculated in accordance with 1010.25.

1010.30.05 Definition of Elderly or Disabled Member

REV:04/1993

Elderly or disabled member means a member of a household who:

1. Is 60 years of age or older;

2. Receives (or is certified to receive) SSI income benefits under Title XVI of the Social Security Act or disability or blindness payments under Titles I, II, X, XIV, or XVI of the Social Security Act;

3. Receives federally or State-administered supplemental benefits under section 1616(a) of the Social Security Act, interim assistance pending receipt of SSI, disability-related medical assistance under title XIX of the Social Security Act, or disability-based general public assistance (GPA), provided that the eligibility to receive the benefits is based upon the disability or blindness criteria used under title XVI of the Social Security Act;

4. Receives federally or state-administered supplemental benefits under section 212(a) of Public Law 93-66;

5. Receives disability retirement benefits from a governmental agency because of a disability considered permanent under section 221(i) of the Social Security Act;

6. Is a veteran who has a service-connected or non-service-connected disability which is rated total under Title 38, U.S. Code; or is considered in need of regular aid and attendance or permanently housebound under such title;

7. Is a surviving spouse of a veteran and considered by the VA to be in need of aid and attendance or permanently housebound under title 38; or is entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under title 38 and has a disability considered permanent under section 221(i) of the Social Security Act;

8. Is a surviving child of a veteran and is considered permanently incapable of self-support under Title 38 of the U.S. Code; or is entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under Title 38 of the U.S. Code and has a disability considered permanently under section 221(i) of the Social Security Act. ("Entitled" as used in this definition refers to those veterans' surviving spouses and children who are receiving the compensation or benefits stated or have been approved for such payments, but are not receiving them.); or

9. Receives an annuity payment under section 2(a)(1)(iv) of the Railroad Retirement Act of 1974 and is determined to be eligible to receive Medicare by the Railroad Retirement Board; or section 2(a)(1)(v) of the Railroad Retirement Act of 1974 and is determined to be disabled based upon the criteria used under Title XVI of the

Social Security Act.

1010.30.05.05 Verifying an Elderly or Disabled Member

REV:02/1995

The agency must verify disability, as defined in 1010.30.05, as follows:

1. For an individual to be considered disabled under 1010.30.05 -item # 2, the household must provide proof that the disabled individual is receiving (or is certified to receive) benefits under Titles I, II, X, XIV, or XVI of the Social Security Act.

2. For individuals to be considered disabled under item # 3, the household shall provide proof that the individual receives interim assistance benefits pending receipt of SSI; or disability-based medical assistance under Title XIX of the SSA; or disability-related general assistance benefits. The state agency shall verify that the eligibility to receive these benefits is based on disability or blindness criteria which are at least as stringent as those under Title XVI of the Social Security Act.

3. For individuals to be considered disabled under 1010.30.05 items # 4 or 5, the agency must use the Social Security Administration's (SSA) most current list of disabilities considered permanent under the SSA. If it is obvious to the agency representative that the individual has one of the listed disabilities, the household is considered to have verified disability. If the disability is not obvious to the agency representative, the household must provide a statement from a physician or licensed or certified psychologist certifying that the individual has one of the listed disabilities.

4. For an individual to be considered disabled under 1010.30.05. item # 6, the household must present a statement from the VA which clearly indicates that the disabled individual is receiving VA disability benefits for a service or non-service connected disability and that the disability is rated as total or paid at the total rate by the VA.

5. For an individual to be considered disabled under 1010.30.05 items # 7 and 8, proof by the household that the disabled individual is receiving VA disability benefits is sufficient verification of disability.

6. For individuals to be considered disabled under 1010.30.05 item # 9, proof must be provided that the individual receives a Railroad Retirement disability annuity from the Railroad Retirement Board and has been determined to qualify for Medicare.

1010.30.10 Destitute Households

REV:08/1986

The agency representative determines the eligibility for a household considered destitute in accordance with Section 1016.10.05 by computing the gross and net income according to procedures specified in Section 1016.10.25 and comparing, as appropriate, the gross and/or net income to the corresponding income eligibility standards.

1010.30.15 Entitlement in Initial Month Only

REV:08/1986

For an eligible household, with three (3) or more members that is entitled to no benefits in months other than the initial month, the agency representative denies the household's application on the grounds that its net income exceeds the level at which benefits are issued.

1010.30.20 Entitlement in Subsequent Months Only

REV:08/1986

For an eligible household that is are entitled to no benefits in the initial month of application (in accordance with 1010.05) but is entitled to benefits in subsequent months, the agency representative certifies the household beginning with the month of application.

1010.30.25 Change in Income Eligibility Standard

REV:08/1986

When a household's circumstances change and it becomes entitled to a different income eligibility standard, the agency representative applies the different standard at the next recertification or when there is a change in the household's eligibility, benefit level or certification period, whichever occurs first.

1010.30.30 Households with a Member Aged 59

REV:08/1986

If a household contains a member who is 59 years old on the date of application, but who will become 60 before the end of the month of application, the agency representative determines the household's eligibility in accordance with 1010.30.05.