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**State of Wisconsin
Governor Jim Doyle**

TO: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
W-2 Agencies
Workforce Development Boards
Job Center Leads and Managers
Training Staff
Child Care Coordinators

FROM: Amy Mendel-Clemens, Section Chief
Technical Assistance, Training & Education
Bureau of Enrollment Management
Division of Health Care Access and Accountability

BEM/DFS OPERATIONS MEMO					
No: 09-75					
DATE: 12/07/2009					
FS	<input checked="" type="checkbox"/>	MA	<input type="checkbox"/>	BC+	<input type="checkbox"/>
SC	<input type="checkbox"/>	CTS	<input type="checkbox"/>	FSET	<input type="checkbox"/>
		BC+ CORE		<input type="checkbox"/>	
CC	<input type="checkbox"/>	W-2	<input type="checkbox"/>	EA	<input type="checkbox"/>
CF	<input type="checkbox"/>	JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>
RAP	<input type="checkbox"/>	WIA	<input type="checkbox"/>	Other	<input type="checkbox"/> *
EP					

SUBJECT: Verification of Shelter and Dependent Care Expenses for FoodShare

CROSS REFERENCE: FSH Chapter 1.2; Verification

EFFECTIVE DATE: IMMEDIATELY

PURPOSE:

To announce a policy change for FoodShare regarding verification of shelter and dependent care expenses.

BACKGROUND:

Currently, shelter and dependent care expenses are required to be verified in order for the expense to be used in the FoodShare benefit calculation. If the expenses are not verified, the amount of the expenses is not an allowable deduction. The federal Food and Nutrition Services (FNS) does not require states to verify shelter and dependent care expenses at application, recertification or when the reported amount changes. Several states accept self reported shelter and dependent care expenses from SNAP applicants and recipients, unless the reported information is deemed questionable.

On average, shelter deduction errors accounted for approximately 9% of Wisconsin's quality control errors between federal fiscal years 2004 and 2009. However, most of those errors occurred because the agency failed to act on known or reported information. The incorrect

budgeting of dependent care expenses has accounted for very few quality control errors during the most recent five year period and is not a significant cause of payment error.

In order to reduce agency workload, and increase program participation and FoodShare issuance in Wisconsin, verification of shelter and dependent care expenses will no longer be required unless the agency determines that the reported amount is questionable.

PREVIOUS POLICY:

Shelter and dependent care expenses are required to be verified in order for the expense to be used in the FoodShare benefit calculation. If the expenses are not verified, the amount is not used in the benefit calculation

NEW POLICY:

Shelter and dependent care expenses are not required to be verified in order for the expense to be used in the FoodShare benefit calculation, unless the applicant or member's statement is deemed questionable. Examples of applicant/member statements that may be considered questionable include:

- Claimed shelter or dependent care expenses exceed monthly income;
- Applicant or member receives housing subsidy but reported the market rent amount;
- Reported amount seems unreasonably high compared to market rates;
- Applicant or member receives child care subsidy and reported the full amount rather than his/her share of the cost.

REMINDER: Only the amount of dependent care expenses the household is responsible to pay can be used as a deduction.

CARES:

Unless the reported amount is questionable, enter NQ "not questionable" as the verification code for dependent care expense and NA "not applicable" as the verification code for shelter expenses. When these codes are entered, CARES will use the deduction in the benefit calculation.

If the reported amount is deemed questionable, enter a "?" to pend the case and request verification. If verification is not provided by the deadline, enter a "NV". The expense will not be used in the benefit calculation.

CONTACTS:

BEM CARES Information & Problem Resolution Center

*Program Categories – FS – FoodShare, MA – Medicaid, BC+ – BadgerCare Plus, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – FoodShare Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DHS/DHCAA/BEM/VJ