



Date: October 4, 2023
Amended October 9, 2023

DMS Operations Memo 23-36

To: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
FSET Agencies

Affected Programs:	
<input type="checkbox"/> BadgerCare Plus	<input type="checkbox"/> Caretaker Supplement
<input checked="" type="checkbox"/> FoodShare	<input type="checkbox"/> FoodShare Employment and Training
<input type="checkbox"/> Medicaid	
<input type="checkbox"/> SeniorCare	

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Lottery and or Gambling Requirements

CROSS REFERENCE

Foodshare Wisconsin Policy Handbook, [4.2.1 Categorial Eligibility](#) and [8.1.1.3 Asset Limits](#)

EFFECTIVE DATE

November 1, 2023

PURPOSE

This memo announces a new policy requirement for all FoodShare households to report any substantial lottery or gambling winnings.

BACKGROUND

Under federal regulations, all FoodShare households must report a substantial lottery or gambling winning.

A substantial winning is defined as a cash prize, won in a single game (hand, ticket, or similar bet), before taxes or other amounts withheld, which is equal to or greater than the asset limit for elderly or disabled households. As of October 1, 2023, the current limit is \$4,250, but this will be updated annually with the Cost of Living Adjustment (COLA).

POLICY

As of November 1, 2023, FoodShare households will be required to report when a member of their household receives a substantial lottery or gambling winning by the 10th day of the following month or at the time of their SMRF, or renewal, whichever comes first. When a FoodShare household has won a substantial lottery or gambling winning, the household will lose their FoodShare eligibility. Households may reapply at any time after being denied for receiving a substantial winning. Members will not lose their FoodShare eligibility for reporting a substantial winning received before November 1, 2023.

Note: A substantial lottery or gambling winning received prior to an initial application will not affect eligibility.

Any household that loses eligibility due to a substantial lottery or gambling winning will need to be tested for eligibility under regular SNAP rules when or if they reapply, until they regain eligibility, or if the household composition changes. Regular SNAP rules do not use the same eligibility criteria as broad-based categorical eligibility or categorical eligibility.

Verification

Verification of a reported lottery **and or** gambling winning is only required if the reported information is questionable, incomplete, or unclear.

If verification is requested and not received, ongoing benefits will be denied, and the household will still need to be tested under regular SNAP rules if they reapply.

Notice

A one-time letter will be sent to all open FoodShare cases with the new lottery or gambling reporting requirements.

Joint Purchase and Shared Winnings

If a member shares in the purchase of the winning bet, ticket, game, or hand with another person, only count the amount that they received from the winning, not the total amount of the winning. If each person's share is less than the substantial winning threshold, each household remains eligible.

Example	Kyle is receiving FoodShare and is the only person in the household. Kyle splits the cost of a lottery ticket with a friend, Lin. Together they win \$5,000 and split the winning, \$2,500 each. Since Kyle's portion of the winning is \$2,500, Kyle does not need to report this winning because \$2,500 is under the substantial winning threshold.
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If two or more people in different households split a lottery or gambling ticket cost and the winning, with each person receiving an amount equal to or greater than the substantial lottery or gambling winning threshold, they would each lose their FoodShare eligibility in their respective households.

Reapplication

Following the loss of eligibility due to a substantial lottery or gambling winning, a household must be tested under regular SNAP rules. Once a household regains eligibility under regular SNAP rules, or there is change to household composition, everyone from that household will again be tested for FoodShare under Broad Based Category Eligibility (BBCE) or Categorically Eligibility (CE) rules the next time eligibility is determined.

Changes in Household Composition

The reapplication requirements for regular SNAP rules no longer apply when there is a change in the household composition. Meaning, when there is a person add or when any one member of the household that existed at the time of the substantial lottery or gambling winning closure leaves the household, everyone from that household can reapply for FoodShare under BBCE or CE rules.

Example	Carlos, Lisa, and Paige are all in the same household receiving FoodShare. Paige buys a lottery ticket and wins \$10,000. She reports the substantial winning and the case is closed. Two months later, Paige leaves the household to live on her own. After moving, Paige reapplies for FoodShare, she is tested under BBCE and is found eligible. Lisa and Carlos also reapply. They are tested under BBCE and found eligible.
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Reporting Requirements Script

Workers must start using the attached updated reporting requirements script starting November 1, 2023. The updated FoodShare reporting requirement script includes the new requirement to report a substantial lottery or gambling winning.

CONTACTS

DHS CARES Problem Resolution Team

DHS/DMS/BEEP/AG

DHS/DMS/BEOT/