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**State of Wisconsin
Governor Scott Walker**

**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: Shawn Smith, Bureau Director
Bureau of Enrollment Policy & Systems
Division of Health Care Access and Accountability**

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|---------------------------------|-------------------------------------|-----------------|--------------------------|--------------|----------------------------|
| BEPS/DFS OPERATIONS MEMO | | | | | |
| No: 12-48 | | | | | |
| DATE: 8/24/2012 | | | | | |
| 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+ Basic | <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: FFY 2013 FoodShare Mass Change

CROSS REFERENCE: FSHB, Chapter 8.1; 7CFR273.9(d)(iii)(A) and (B)

EFFECTIVE DATE: OCTOBER 1, 2012

PURPOSE:

The purpose of this Memo is to announce the FoodShare (FS) Cost of Living Adjustments (COLA) and the new Standard Utility Allowance (SUA) amounts for federal fiscal year (FFY) 2013.

BACKGROUND:

Each year the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) announces adjustments to the gross and net income limits, the allotment tables, standard deduction amounts, and the excess shelter expense deduction. Adjustments to the standard utility allowance amounts are based on statewide average utility costs.

FoodShare Allotment amounts will not increase for FFY 2013, since the amounts were increased with the passage of the Economic Stimulus package that required States to increase the maximum FS benefit allotments by 13.6% effective April 1, 2009. The Federal Poverty Income Limits have increased and noted in the chart below.

POLICY:**FS COLA FOR FFY 2013:**

Reference table changes will be made in CARES on September 8, 2012, so that ongoing cases will use the new amounts effective October 1, 2012. A FS mass change will occur on the weekend of September 8, 2012. The mass change will select all FS cases and process eligibility for October using the new reference table changes and standards. Eligibility determinations for FS for October 2012 and later will use the new amounts. These amounts can be found in CARES tables TFST and TFEP. The new amounts will be added to Chapter 8.1, of the FS Handbook in the next release.

The following changes are effective October 1, 2012:

MAXIMUM EXCESS SHELTER DEDUCTION:

The maximum excess shelter deduction will increase to \$469.

INCOME LIMIT & ALLOTMENT AMOUNTS:

| AG Size | 200%FPL Gross Income Limit | 165% FPL Gross Income Limit | 130% FPL Gross Income Limit | 100% FPL Net Income Limit | Maximum Allotment |
|----------------|---|--|--|--|------------------------------|
| 1 | \$1862 | \$1536 | \$1211 | \$931 | \$200 |
| 2 | \$2522 | \$2081 | \$1640 | \$1261 | \$367 |
| 3 | \$3182 | \$2625 | \$2069 | \$1591 | \$526 |
| 4 | \$3842 | \$3170 | \$2498 | \$1921 | \$668 |
| 5 | \$4502 | \$3714 | \$2927 | \$2251 | \$793 |
| 6 | \$5162 | \$4259 | \$3356 | \$2581 | \$952 |
| 7 | \$5822 | \$4803 | \$3785 | \$2911 | \$1052 |
| 8 | \$6482 | \$5348 | \$4214 | \$3241 | \$1202 |
| 9 | \$7142 | \$5893 | \$4643 | \$3571 | \$1352 |
| 10 | \$7802 | \$6438 | \$5072 | \$3901 | \$1502 |
| 11 | \$8462 | \$6983 | \$5501 | \$4231 | \$1652 |
| 12 | \$9122 | \$7528 | \$5930 | \$4561 | \$1802 |

(AG = Assistance Group, FPL = Federal Poverty Level)

STANDARD DEDUCTION:

The Standard Deduction is based on the AG size. This year, the standard deduction will increase.

| AG Size | Standard Deduction Amount |
|-----------|---------------------------|
| 1-3 | \$149 |
| 4 | \$160 |
| 5 | \$187 |
| 6 or more | \$214 |

NEW STANDARD UTILITY ALLOWANCES:

The new Heating Standard Utility Allowance (HSUA) used for all FoodShare eligibility determinations is **decreasing** to \$442 effective October 1, 2012.

The other standard utility amounts, LUA and PUA are used only for Medicaid and will be updated in the Medicaid Eligibility Handbook (MEH) in an upcoming release. The PUA is **decreasing** to \$28 effective October 1, 2012.

| Standard | Allowance | Definition |
|----------|-----------|--|
| HSUA | \$442 | Heating |
| LUA | \$316 | No heat, with at least two other qualifying expenses |
| PUA | \$28 | Telephone |

4.3.3.6.3 SELF-EMPLOYED CHILD CARE PROVIDER:

A child care provider can deduct the cost of meals provided to the enrolled children from the income earned by the child care business. The provider may report the actual cost of the meals or use the federal standard deductions. Tier 1 applies to households with income at or below 185% of the Federal Poverty Level income guidelines. Tier 2 applies to all other households.

Effective from July 1, 2012 - June 30, 2013

| TIER 1 | TIER 2 |
|----------------------------|----------------------------|
| Breakfast \$1.27 | Breakfast \$0.46 |
| Lunch or Supper \$2.38 | Lunch or Supper \$1.44 |
| Supplement (snacks) \$0.71 | Supplement (snacks) \$0.19 |

PROCESS:

Any cases with eligibility run for FS on or after September 10, 2012, will have the new SUA standard amounts applied effective October 1, 2012.

CONTACTS:

BEPS 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, BC+ Core – BadgerCare Plus Core, 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/BEPS/LT