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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**

BEPS/DFS OPERATIONS MEMO					
No: 13-27					
DATE: SEPTEMBER 9, 2013					
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 2014 FoodShare Mass Change

CROSS REFERENCE: FoodShare Handbook, Chapter 8.1; 7CFR273.9(d)(iii)(A), and (B)
[Operations Memo 09-11](#)

EFFECTIVE DATE: October 1, 2013, and November 1, 2013

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) 2014 effective October 1, 2013. Also included is information on the expiration of the American Recovery and Reinvestment Act (ARRA), which raised FoodShare allotments on April 1, 2009 (see [Operations Memo 09-11](#)). The time limit on this act expires effective November 1, 2013, resulting in a benefit reduction.

BACKGROUND:

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

Maximum allotments for FS are based on a USDA calculation. Allotment adjustments are made on October 1 of each year, in accordance with the Food and Nutrition Act.

FoodShare allotment amounts were increased and have remained unchanged since April 1, 2009 in response to passage of the American Recovery and Reinvestment Act (ARRA) of 2009, (see [Operations Memo 09-11](#)). ARRA was part of a federal economic stimulus package designed to provide relief to individuals and families impacted by the recession, which began in 2008. This legislation required States to increase the maximum FS benefit allotment to an amount based on a projected estimate of what FS benefit levels would be in 2013.

As of April 1, 2009, ARRA raised the monthly FS allotment to match the projected allotment for October 2013 by increasing the 2009 allotment by 13.6 percent. Under the ARRA benefits increase, maximum allotments were to remain the same through October 2013, at which time the frozen allotment amount and the standard annual USDA allotment amount were expected to be equal. Yearly USDA increases have not caught up to the current ARRA frozen amount.

The 2009 ARRA increase is set to expire effective October 31, 2013. Starting in November 2013, FS benefit allotment amounts will once again be calculated using the standard USDA benefits formula, which will result in benefit reductions for most participants. For example, the maximum allotment for a family of four is currently \$668. Effective November 1, 2013 the maximum amount for a family of four will be reduced to \$632, a difference of \$36 per month.

The Federal Poverty Income Limits and deductions have changed as noted in the following charts.

POLICY:

FS COLA FOR FFY 2014 – October 1, 2013

Reference table changes will be made in CARES on August 30, 2013, so that ongoing cases will use the new amounts effective October 1, 2013. A FS mass change will occur on the weekend of September 7, 2013. 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 2013 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.

ALLOTMENT DECREASES

The allotment decreases due to the end of ARRA funding will occur effective November 1, 2013, as noted in the chart below. Reference table changes will be made in CARES on September 18, 2013, so that ongoing cases will use the new amounts effective November 1, 2013. A second FS mass change will occur the weekend of October 5, 2013 for FS cases to apply these changes for November.

NOTICES

For each of the upcoming mass changes, a Notice of Decision letter will be mailed informing members of any change in their benefits. Benefits changes will occur effective October 1, and November 1, 2013. The Notice of Decision for November benefits reduction will include an informational insert explaining the expiration of the 2009 ARRA act and why their benefits are going down. After the October 5th mass change, the Notice of Decision including the insert will

be mailed to all FoodShare members between October 7th and October 15th. Inclusion of the informational insert with the standard Notice of Decision is designed to reduce phone inquiries to IM agencies and assist members in making educated decisions before requesting a hearing on the reduction of their benefit amount. The ARRA changes cannot be overturned in a fair hearing; however, members still have the right to request one.

A copy of the insert will be emailed to the CARES and Policy Coordinators prior to the mailing.

The following changes are effective October 1, 2013:

Maximum Excess Shelter Deduction

The maximum excess shelter deduction will increase to \$478.

Income Limit & Allotment Amounts

AG Size	200% FPL Gross Income Limit +\$670 (> 12)	165% FPL Gross Income Limit +\$553 (> 12)	130% FPL Gross Income Limit +\$436 (> 12)	100% FPL Net Income Limit +335 (> 12)	Maximum Allotment 10/1/13-10/31/13 +150(>12)	Maximum Allotment 11/1/13-9/30/14 +142(>12)
1	\$1916	\$1580	\$1245	\$958	\$200	\$189
2	\$2586	\$2133	\$1681	\$1293	\$367	\$347
3	\$3256	\$2686	\$2116	\$1628	\$526	\$497
4	\$3926	\$3239	\$2552	\$1963	\$668	\$632
5	\$4596	\$3791	\$2987	\$2298	\$793	\$750
6	\$5266	\$4344	\$3423	\$2633	\$952	\$900
7	\$5936	\$4897	\$3858	\$2968	\$1052	\$995
8	\$6606	\$5450	\$4294	\$3303	\$1202	\$1137
9	\$7276	\$6003	\$4730	\$3638	\$1352	\$1279
10	\$7946	\$6556	\$5166	\$3973	\$1502	\$1421
11	\$8616	\$7109	\$5602	\$4308	\$1652	\$1563
12	\$9286	\$7662	\$6038	\$4643	\$1802	\$1705

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

Minimum Allotment

The minimum monthly FS allotment for categorically eligible food units that include one or two individuals is changing from \$16 to \$15 effective November 1, 2013.

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	\$152
4	\$163
5	\$191
6 or more	\$219

New Standard Utility Allowances

The Heating Standard Utility Allowance (HSUA) used for all FoodShare eligibility determinations is **increasing** to \$450 effective October 1, 2013.

The other standard utility amounts, the Limited Utility Allowance (LUA) and Phone Utility Allowance (PUA), are used only for Medicaid and will be updated in the Medicaid Eligibility Handbook (MEH) in an upcoming release. The PUA is **increasing** to \$30 effective October 1, 2013.

Standard	Allowance	Definition
HSUA	\$450	Heating
LUA	\$313	No heat, with at least two other qualifying expenses
PUA	\$30	Telephone

Any cases with eligibility run for FS on or after September 7, 2013, will have the new SUA standard amounts applied effective October 1, 2013.

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 percent of the Federal Poverty Level income guidelines. Tier 2 applies to all other households.

Effective from July 1, 2013 - June 30, 2014

TIER 1	TIER 2
Breakfast \$1.28	Breakfast \$0.47
Lunch or Supper \$2.40	Lunch or Supper \$1.45
Supplement (snacks) \$0.71	Supplement (snacks) \$0.19

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.