



# Lottery and Gambling Winnings

IMAC Presentation

August 2023

# Overview

Recent changes in federal regulations require the reporting of substantial lottery and gambling winnings by FoodShare households.

The new policy will require process and system updates.

# New Policy and Eligibility Rules

A substantial lottery or gambling winnings is defined as a cash prize, won in a single game (ticket, hand, similar bet), before taxes or other amounts are withheld, which is equal to or greater than the asset limit for elderly or disabled households.

The current limit is \$4,250 until September 30, 2024. This limit will be adjusted annually for COLA updates every October.

# New Policy and Eligibility Rules

Under federal regulations, all FoodShare households are required to report substantial lottery or gambling winnings by the 10<sup>th</sup> day of the following month. FoodShare households with substantial lottery or gambling winnings will lose their eligibility for FoodShare. When/if they re-apply, their eligibility must be re-determined under regular SNAP rules.

A substantial winning received prior to an initial application does not affect eligibility. Only consider winnings received during the certification period or won at the time of the renewal or SMRF.

# New Policy and Eligibility Rules

When re-applying, the household's eligibility must be re-determined under regular SNAP rules. This will be a manual process. The household must meet and verify allowable income and asset limits under regular SNAP rules to qualify for benefits. The household must reapply under regular SNAP rules until they are determined eligible.

A substantial winning only applies to the household where the member resided when the winnings were received. If the household composition changes, then the household would no longer exist as it did when the winnings were received. This new household does not need to apply under regular SNAP rules.

# ACCESS Changes

To help household members report their lottery and gambling winnings, modules in ACCESS will be enhanced to collect this information:

## **Renew My Benefits (RMB) Module and Online SMRF**

When completing a renewal or a SMRF, members will be required to report any substantial lottery and gambling winnings on the Assets page.

## **Report My Changes (RMC) Module**

The Landing page will include the requirement that FoodShare members must report substantial lottery and gambling winnings. Note that members will need to contact their local IM agency to report (since the winnings are not reportable in this module).

# ACCESS Changes

Once household members have reported substantial lottery and gambling winnings, modules in ACCESS will be enhanced to include information about pending for verification of the income or loss of eligibility:

## **Check My Benefits (CMB) Module – Pending**

When the worker pends for verification or a response, the member will receive a message on the Account Home page to check for the VCL. They will receive a similar message under Submit Your Documents.

## **Check My Benefits (CMB) Module – Failure**

When a worker fails the household for failing to respond to the request to verify or report a winning, or the household reports substantial winnings, the member will see the decision in the Benefit Details page.

# CWW Changes

CWW will be updated so IM workers can process reported lottery and gambling winnings.

The new Lottery and Gambling page will be scheduled to collect information from a renewal or SMRF (workers can directly navigate to the page for a change report).

The screenshot displays a web-based form titled "Lottery and Gambling". On the left is a "Navigation Menu" with various categories; "Lottery and Gambling" is highlighted with a red box. The main form area includes:

- Effective Period:** A "Begin Month" field with MM and YYYY sub-fields, and a "Last Updated:" label.
- Additional Information:** A question "Has anyone in the household received substantial lottery or gambling winnings defined as a single winning of \$4,250 or more before tax deductions from a single hand, ticket, game, or bet?" with a dropdown menu.
- Individual:** A dropdown menu.
- Verification:** A dropdown menu.
- Comments:** A large text area with a character count "Current Size = 0 characters (250 characters max.)".
- Footer:** Includes an "Add Case Comment" button, a "Cancel" checkbox, and "Previous" and "Next" navigation buttons. Above these is a bar with "Individual" (ALEX BRAIRE 32M PP), "Updated on or before" (MM/DD/YYYY), and a "Go" button.



# CWW Changes

CARES will be updated to send a VCL if the member does not answer the question about lottery and gambling winnings, or the worker needs verification of the member's response.

- Verification Checklist page will detail the request for a response to the question or the need to verify Lottery and Gambling winnings information.
- Verification Due Dates page will be set for a response to the question or verification request.
- Pending/Not Verified Information page will detail the request for a response of need to verify.

# CWW Changes

The Six-Month Report Form Scheduler page will include the question regarding lottery and gambling winnings as the new Section 6. Selecting **Yes** will schedule the Lottery and Gambling page; and selecting **No** will skip the page.

**Note:** The paper SMRF will be updated to include the question.

The screenshot displays the 'Six-Month Report Form Scheduler' web application. On the left is a 'Navigation Menu' with options like 'CARE Home', 'Search', 'Unlink Documents', 'HFA / Case', 'Client Registration (8)', 'Case Summary', 'Case Comments', 'Expected Changes', 'Application Entry (2)', 'Case Information', 'Individual Demographics', and 'Benefit School'. The main content area is titled 'Six-Month Report Form Scheduler' and includes a 'Cancel' button and a 'Reset' button. Below the title, there are checkboxes for 'Form Completed:', 'Send Duplicate SMRF', and 'Send Incomplete SMRF Letter'. The 'SMRF Type' is set to 'PAPER'. There are checkboxes for 'No changes to report' and 'Last Updated'. A table titled 'Latest SMRF Information' shows 'Action Date' as 07/18/2020, 'Action Code' as SNT - Original Form Sent, 'Process Month' as 08/2020, and 'Update Worker ID'. Below this is a section 'Do you have changes in the following details?'. The form is divided into sections: 'Section 1 - Address / Shelter Information' (marked 'Section Incomplete'), 'Section 2 - Household Members' (marked 'Section Incomplete'), 'Section 3 - Other Income Information' (marked 'Section Incomplete'), 'Section 4 - Child Support Payments' (marked 'Section Incomplete'), 'Section 5 - Child Support Payments' (marked 'Section Incomplete'), 'Section 6 - Lottery and Gambling' (marked 'Section Incomplete'), and 'Section 7 - Signature' (marked 'Section Incomplete'). Section 6 contains the question: 'Has anyone in your household had substantial lottery or gambling winnings from a single hand, ticket, game, or bet over the program limit that have not already been reported to your agency?'. At the bottom, there is a 'Sequence' field, an 'Updated on or before' date field (MM/DD/YYYY), and buttons for 'Add Case Comment', 'Cancel', 'Previous', and 'Next'.

# CWW Changes

The SMRF Checklist page will include information on Lottery and Gambling winnings, a member may report a substantial winning. From this page, workers can choose to send the SMRF Incomplete Letter if the member did not respond to the question by checking the box for Section 6 and clicking **Next**. Otherwise, the worker proceeds to the Case Summary page.

**Navigation Menu**

- Search
- CARES Home
- Search
- Inbox Search
- Unlinked Documents
- NSA / Case
  - Client Population (0)
  - Case Summary
  - Case Comments
  - Expected Changes
  - Application Entry (1)
  - Case Information
  - Individual Demographics
    - Benefit/School
    - Individual Non Financial
    - Other Health Care
    - Pharmacy
  - Asset Information
  - Employment Queries
  - Employment
  - Unearned Income
  - BC+ Tax Deductions
  - Expenses
  - Medical
  - Tax File Information

**Six-Month Report Form Checklist** Cancel [X] Reset

Effective Period

SMRF Complete Date: MM DD YYYY Last Updated: 09/18/2020

Complete SMRF Information Send Incomplete SMRF Letter

Section Name	Page	Complete	Incomplete	Review
Address / Shelter Information	General Case Information	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Electronic Contact Information	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Expenses Gatepost	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Household Members	Household Members	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Job Income and Wages	Employment Gatepost	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other Income	Unearned Income Gatepost	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Child Support Payments	Expenses Gatepost	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lottery and Gambling	Lottery and Gambling	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Signature	Generate Summary	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SMRF Comments

Comment

Current Size = 0 characters (240 characters max.)

Based on our review, here is the latest information we have:

Address / Shelter / Expenses Information

Individual	Begin Month	End Month	Income Type	Monthly Converted Amount
HMKFL GEXVO 53M PP	09/2020		CHILD SUPP-CURRENT A&R	\$100.00

Child Support Payments

Payer	Begin Month	End Month	Payment Amount	Support Type
HMKFL GEXVO 53M PP	09/2020		\$10.00	CHILD SUPPORT

Lottery and Gambling

Individual	Begin Month	Response
HMKFL GEXVO 53M PP	12/2023	Yes

Sequence Updated on or before MM DD YYYY Go

# Correspondence Changes

There are changes in addition to the CARES-generated VCL described on a previous slide.

A one-time notice is expected to be sent in late September 2023 to all open FoodShare households regarding the requirement to report lottery and gambling winnings.

A Notice of Decision will be sent to households receiving a substantial lottery or gambling winning and/or failure to report or verify the winning.

# Questions?