

FoodShare Handbook Release 16-01

Table Of Contents

1	General Program Requirements	1
1.1	Introduction	1
1.1.1	General program introduction.....	1
1.1.2	FoodShare Benefits.....	1
1.1.3	Who is eligible	2
1.1.4	Eligibility Overview	3
1.2	Verification.....	5
1.2.1	Verification Introduction.....	5
1.2.1.1	General Verification Rules.....	6
1.2.1.2	Request for Verification.....	6
1.2.1.3	Responsibility for Verification	7
1.2.2	Sources For Verification.....	8
1.2.2.1	Documentary Evidence	8
1.2.2.2	Collateral Contacts.....	8
1.2.2.3	Home Visits	9
1.2.2.4	Discrepancies in Verification	9
1.2.2.5	Request for Contact	10
1.2.2.6	Case Documentation.....	11
1.2.3	Non-financial Verification.....	11
1.2.3.1	Identity Verification.....	11
1.2.3.2	Social Security Numbers Verification	12
1.2.3.3	Immigrant Eligibility Verification.....	12
1.2.3.4	Disability Verification	13
1.2.3.5	Wisconsin Residency Verification	13
1.2.3.6	Address Verification	15
1.2.3.7	Household Composition Verification	15
1.2.3.8	Student Eligibility in a Two-Year Program	16
1.2.4	Financial Verification	17
1.2.4.1	Gross Non-exempt Income Verification.....	17
1.2.4.2	Earned Income Verification.....	17
1.2.4.3	Self-Employment Income Verification	18
1.2.4.4	Asset Verification	18
1.2.4.5	Expense Verification	19
1.2.4.6	Dependent Care Expense Verification	19
1.2.4.7	Shelter and Utility Expense Verification	19
1.2.4.8	Medical Expense Verification	20
1.2.4.9	Child Support Payments Verification.....	21
1.2.5	Questionable Items	22
1.2.6	Suggested Verification Sources	22
1.2.6.1	Required Verification to Determine Eligibility.....	23
1.2.6.2	Verify Only If Questionable.....	25
1.2.6.3	Verify for a Household to Receive a Deduction (not required for eligibility).....	27
2	Applications and Renewals	29
2.1	Applications	29

2.1.1 Initial certifications (applications).....	29
2.1.1.1 Application Forms	29
2.1.1.2 Application Process.....	30
2.1.1.3 New Application Required Due to Break in Service	30
2.1.1.4 Setting the Filing Date.....	32
2.1.1.4.1 Telephonic Signatures.....	33
2.1.1.4.2 Faxed Application Registrations	33
2.1.1.4.3 Application Registrations at the Wrong Agency.....	33
2.1.1.5 SSA Participation in FoodShare Applications.....	34
2.1.2 Application Processing Time frame.....	34
2.1.2.1 Application Processing 30 Day Time Frame	34
2.1.2.2 Late Expedited Determinations	35
2.1.3 Interviews	36
2.1.3.1 Scheduling the Interview	36
2.1.3.1.1 Notice of Missed Interview (NOMI) Requirements.....	38
2.1.3.2 Completing the Interview.....	39
2.1.3.3 Use of an Authorized Representative.....	40
2.1.3.4 Signature.....	41
2.1.3.5 Telephone Interviews	42
2.1.3.6 Completing Telephone Interviews	42
2.1.3.7 Post Interview Process.....	42
2.1.4 Expedited Service at Application.....	43
2.1.4.1 Eligibility for Expedited Services at Application	44
2.1.4.2 Verification Requirements for Expedited Services	45
2.1.4.3 Eligibility for Migrant Workers.....	45
2.1.4.4 Postponing the Interview for Expedited Benefits.....	46
2.1.5 Changes Reported During the Application Processing Period	48
2.1.6 Withdrawing the Application	48
2.1.7 Confirming the FoodShare Eligibility Determination in CARES	48
2.2 Renewals.....	49
2.2.1 Certification Periods (Renewals)	49
2.2.1.1 Six Month Reviews.....	50
2.2.1.2 Shortening a Certification Period.....	50
2.2.1.3 Completing a Renewal	50
2.2.1.4 Renewal Processing Time Frame	51
2.2.1.5 Eligibility Reviews for Other Programs and Their Impact on the FoodShare Certification Period.....	53
3 Nonfinancial Requirements	55
3.1.1 General Non-Financial Eligibility.....	55
3.2.1 Residence	55
3.2.1.1 Joint or Shared Physical Custody of Children	56
3.2.1.2 Temporary Absence	57
3.2.1.2.1 Military Absence	58
3.2.1.2.2 Incarceration and Huber Law Prisoners.....	58
3.2.1.3 Homelessness.....	59
3.2.1.3.1 Shelters for the Homeless	60

3.2.1.3.2 Transitional Housing	60
3.2.1.3.3 Temporary Housing	60
3.2.1.4 Institution.....	60
3.2.1.5 Group Living Arrangement	61
3.2.1.5.1 Residential Care Apartment Complexes (RCAC)	61
3.2.1.5.2 Adult Family Home (AFH).....	62
3.2.1.5.3 Drug and Alcohol Treatment Centers	63
3.2.1.5.4 Shelters for Battered Persons and Children	64
3.2.1.5.5 Section 202 and 236 Housing.....	64
3.3.1 Food Unit/Foodshare assistance Group/Relationships	65
3.3.1.1 HUG (Households, Units, Groups)	65
3.3.1.2 Relationship Definitions.....	66
3.3.1.3 Relationship Rules	67
3.3.1.4 Relationship Rules Exception.....	68
3.4.1 Dual Membership and Duplicate Benefits	68
3.5.1 Boarders.....	69
3.5.1.1 Boarders Introduction.....	69
3.5.1.2 Reasonable Compensation.....	70
3.6.1 Foster Care Recipients.....	70
3.6.1.1 Foster Care Recipients Introduction	70
3.6.1.2 Foster Care Payment	71
3.7.1 Adoption Assistance	71
3.8.1 Elderly, Blind, or Disabled (EBD) Individuals.....	71
3.8.1.1 EBD Introduction	71
3.8.1.2 Disabled Veterans.....	72
3.9.1 Attendant/Housekeeper.....	72
3.10.1 Strikers	73
3.10.1.1 Striker Exceptions	73
3.10.1.2 Termination of a Strike	73
3.10.1.3 Eligibility on the Day before a Strike.....	74
3.10.1.4 Pre-Strike Income	74
3.11.1 Food Distribution Program (Tribal Commodities)	74
3.11.1.1 Choice of Programs	75
3.11.1.2 Preventing Dual Participation	75
3.11.1.3 Switching Programs	75
3.11.1.4 FoodShare Discontinuance Date	76
3.11.1.5 Denial due to FoodShare Intentional Program Violations (IPV).....	76
3.12.1 Citizenship and Immigration Status	76
3.12.1.1 Qualified Immigrant or Immigration Status	77
3.12.1.2 Eligibility Pending Documentation of Immigration Status	81
3.12.1.3 Work Quarter Eligibility.....	82
3.12.1.3.1 Disclosure of Work Quarter Information	82
3.12.1.4 Military Connection Eligibility.....	83
3.12.1.5 Battered Immigrant Eligibility.....	83
3.12.1.6 State Option FoodShare Program (SOFSP)	84
3.12.1.7 Ineligible and Illegal Immigrants	84

3.12.1.8 Encouraging Application.....	84
3.12.1.9 Gaining Citizenship	85
3.12.1.10 Derivative Citizenship.....	85
3.12.1.11 Iraqis and Afghans with Special Immigrant Status	85
3.13.1 Social Security Number (SSN) Requirements	86
3.13.1.1 Failure to Comply	86
3.13.1.2 SSN Application for Newborns	87
3.13.1.3 Good Cause	87
3.13.1.4 Religious Exception.....	87
3.14.1 Intentional program violation (IPV) Disqualification	88
3.14.1.1 Period of Ineligibility	88
3.14.1.2 IPV Disqualification for Receipt of SNAP Benefits from Multiple States... ..	90
3.15.1 Student Eligibility	90
3.16.1 Work Requirements.....	93
3.16.1.1 Background	93
3.16.1.2 FoodShare Work Requirements.....	94
3.16.1.3 Exemptions from the FoodShare Work Requirement.....	94
3.16.1.4 Work Registration Requirement	95
3.16.1.5 Voluntary Quit or Reduced Work Effort (VQT)	96
3.16.1.6 Sanction Period.....	96
3.16.1.6.1 At Application.....	96
3.16.1.6.2 Ongoing	97
3.16.1.7 Good Cause	97
3.16.1.8 Ending a VQT.....	98
3.17.1 Able-bodied adults without dependents (abawds).....	99
3.17.1.1 Able-Bodied Adults without Dependents (ABAWDs).....	100
3.17.1.2 Application of ABAWD Rules	100
3.17.1.3 ABAWD Status.....	100
3.17.1.4 Determining ABAWD Status.....	100
3.17.1.5 ABAWD Exemptions from Time-Limited FoodShare Benefits	101
3.17.1.6 Verification of ABAWD Status and Exemptions from Time-Limited FoodShare	103
3.17.1.7 ABAWD Work Requirement	104
3.17.1.8 ABAWD Definition of Working	105
3.17.1.9 Three Countable Months of Time-Limited FoodShare Benefits.....	105
3.17.1.10 The 36-Month Period (Clock)	106
3.17.1.11 Regaining Eligibility after Exhausting Three Months of Time-Limited Benefits	108
3.17.1.12 Three Additional Months of FoodShare Benefits.....	109
3.17.1.13 FSET Participation and FoodShare Eligibility for ABAWDs.....	110
3.17.1.14 Adjusting or Deleting the FoodShare Clock Page (36-Month Period) ..	111
3.17.1.15 Additional ABAWD Reporting Requirement	113
3.17.1.16 FoodShare Clock System Updates and Statuses	113
3.17.1.17 Countable Months from another State.....	114
3.18.1 Child Support Cooperation	115
3.19.1 Fleeing Felons and Probation and Parole Violators	115

- 3.20.1 Drug Felons..... 118
 - 3.20.1.1 Applications..... 118
 - 3.20.1.2 Ongoing cases 120
 - 3.20.1.3 Regaining Eligibility 120
- 3.21.1 QC Sanctions 121
- 4 Financial Requirements..... 123
 - 4.1 General Financial Eligibility..... 123
 - 4.1.1 General Financial Eligibility 123
 - 4.2 Categorical Eligibility..... 123
 - 4.2.1 Categorical Eligibility 123
 - 4.2.1.1 Categorical Eligibility Introduction 123
 - 4.2.1.2 Case Processing..... 124
 - 4.2.1.3 Special Circumstances..... 125
 - 4.2.1.4 Transitional FoodShare Benefits 125
 - 4.2.1.5 EBD Food Units 125
 - 4.3 Income..... 126
 - 4.3.1 Income (General) 126
 - 4.3.2 Earned Income 126
 - 4.3.2.1 Counted Earned Income 127
 - 4.3.2.2 Disregarded Earned Income 129
 - 4.3.3 Farming and Other Self Employment Income 131
 - 4.3.3.1 Business Operations 132
 - 4.3.3.2 Identifying Farms and Other Businesses..... 132
 - 4.3.3.3 Capital and Ordinary Gains..... 133
 - 4.3.3.4 Rental Income 133
 - 4.3.3.5 Averaging Income 134
 - 4.3.3.5.1 Part Year Income 134
 - 4.3.3.5.2 IRS Tax Forms..... 135
 - 4.3.3.5.3 Worksheets 135
 - 4.3.3.5.4 Self-Employment Income Report Form (SEIRF) 136
 - 4.3.3.6 Anticipating Earnings 137
 - 4.3.3.6.1 Shelter Expense..... 138
 - 4.3.3.6.2 Farm and Self-Employment Expenses - Utilities 139
 - 4.3.3.6.3 Self-Employed Child Care Provider..... 139
 - Rates effective from July 1, 2015-June 30, 2016 139
 - 4.3.3.6.4 Unearned Rental Income 139
 - 4.3.4 Unearned Income..... 140
 - 4.3.4.1 Unearned Income Introduction 140
 - 4.3.4.2 Counted Unearned Income 141
 - 4.3.4.3 Disregarded Unearned Income 143
 - 4.4 Assets..... 151
 - 4.4.1 Assets 151
 - 4.4.1.1 Introduction 151
 - 4.4.1.2 Jointly Owned by Different Food Units 153
 - 4.4.1.3 Jointly Owned by Same Food Unit..... 153
 - 4.4.1.4 Disregarded Assets..... 153

4.4.1.5 Liquid Assets	160
4.4.1.6 Divestment	161
4.4.1.6.1 Period of Ineligibility	162
4.5 Special Situations	162
4.5.1 Income from a private non-profit charitable agency.....	163
4.5.2 Loan Repayment.....	163
4.5.3 Reimbursement.....	163
4.5.4 Protective Payee and Third Party Payments.....	164
4.5.5 Nonrecurring Lump Sum Payment	164
4.5.6 Repayments	165
4.5.6.1 Repayments due to a W-2 IPV	165
4.5.6.2 Repayments for means tested sources that are withheld.....	165
4.5.6.3 Repayments for means tested sources that are paid out of pocket.....	166
4.5.6.4 Repayments for non-means tested sources that are withheld.....	166
4.5.6.5 Repayments for non-means tested sources that are paid out of pocket ..	167
4.5.6.6 SSI Repayments	167
4.5.6.7 Earned Income Repayments.....	167
4.5.6.8 General Relief / Interim Assistance	167
4.5.6.9 Jury Duty	168
4.5.6.10 Vendor Payments.....	168
4.6 Deductions and Expenses	169
4.6.1 Deductions and Expenses.....	169
4.6.1.1 Calculation Period	170
4.6.1.2 Fluctuating and Irregular Costs	170
4.6.1.3 One-Time Costs	170
4.6.1.4 Converting Expenses to Monthly Amounts.....	170
4.6.2 Standard Deduction.....	171
4.6.3 Earned Income Deduction	171
4.6.4 Medical Expenses	171
4.6.4.1 Allowable Medical Expenses.....	171
4.6.4.2 Medical Expenses Not Allowed	174
4.6.4.3 Budgeting Medical Expenses including MA Deductible Expenses	174
4.6.4.3.1 Deductible Expenses	175
4.6.4.3.2 Examples.....	175
4.6.5 Child Support Payment Deduction	177
4.6.5.1 Child Support Payment Introduction.....	177
4.6.5.2 Allowable Child Support Expenses	179
4.6.5.3 Child Support Expenses Not Allowed.....	179
4.6.5.4 Family Support	179
4.6.6 Dependent Care Deduction	179
4.6.7 Shelter and Utility Deduction	181
4.6.7.1 Shelter and Utility Deduction Introduction	181
4.6.7.2 Allowable Shelter Expenses.....	181
4.6.7.3 Standard Utility Allowances.....	183
4.6.7.4 Shelter Deduction during a Temporary Absence.....	184
4.6.7.5 Shelter Deductions for Group Living Arrangement Residents.....	185

- 4.6.7.6 Shelter Deduction for Homeless Food Units 185
- 4.7 Deeming 186
- 4.7.1 Deeming..... 186
- 4.7.2 Deeming from a Sponsor 186
 - 4.7.2.1 Introduction 186
 - 4.7.2.2 Exemptions from Sponsor Deeming..... 187
 - 4.7.2.3 Indigence Exemption..... 187
 - 4.7.2.4 Sponsor Liability 188
 - 4.7.2.5 Verification of Sponsor's Income 188
 - 4.7.2.7 Exempt Immigrants 189
- 4.7.3 Deeming from Ineligible Food Unit Members 189
- 4.7.4 Deeming and Ineligible Students..... 190
 - 4.7.4.1 Student Income 190
 - 4.7.4.2 Student Medical Expenses..... 190
 - 4.7.4.3 Student Dependent Care Expense..... 191
 - 4.7.4.4 Student Shelter Expenses..... 191
 - 4.7.4.5 Student Utility Expenses 191
- 4.7.5 Prorated Deeming 191
 - 4.7.5.1 Pro-rated Income 192
 - 4.7.5.2 Pro-rated Medical Expenses 193
 - 4.7.5.3 Pro-rated Child Support (CS) Payments 194
 - 4.7.5.4 Pro-rated Dependent Care Expenses 195
 - 4.7.5.5 Pro-rated Shelter Expenses 195
- 4.7.6 Gross Deeming 196
- 5 Specific Programs 197
- 5.1.1 Transitional FoodShare benefits (TFS) 197
 - 5.1.1.1 TFS Introduction..... 197
 - 5.1.1.2 TFS Benefit Calculation..... 197
 - 5.1.1.3 TFS Change Reporting Requirements 198
 - 5.1.1.4 Sanctions and TFS..... 198
 - 5.1.1.5 TFS Policy Exception 198
 - 5.1.1.6 TFS and Companion Cases 199
 - 5.1.1.7 Renewal during the TFS Benefit Period 200
 - 5.1.1.8 Renewal when the TFS Benefit Period Expires..... 200
- 5.2.1 FS-E 200
- 5.3.1 Disaster SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (DSNAP) for
Victims of Natural Disasters 201
 - 5.3.1.1 DSNAP Introduction 201
 - 5.3.1.2 Disaster Supplemental Assistance Program (DSNAP) Applications 202
 - 5.3.1.3 DSNAP Verification Requirements..... 202
- 6 Ongoing Case Management 205
- 6.1 Changes 205
- 6.1.1 Change Reporting 205
 - 6.1.1.1 Change Reporting For EBD Food Units with No Earnings 205
 - 6.1.1.2 Change Reporting for All Other Food Units (Reduced Reporting)..... 205
- 6.1.2 Six Month Reporting Requirement 206

6.1.3 Timely Action on Reported Changes During the Certification Period	208
6.1.3.1 Processing Reported Changes	209
6.1.3.2 Changes “Verified on Receipt”	210
6.1.3.3 Changes That Cause an Increase in Benefits, Including Person Adds and Loss of Income.....	210
6.1.3.4 Sanction Request.....	211
6.1.3.5 Person Add Following a Sanction (Re-request)	211
6.1.3.6 Changes That Cause a Decrease in Benefits	212
6.1.3.7 Change Impact Matrix	212
6.1.3.8 Processing ABAWD Changes	214
6.1.4 Changes in Expenses	214
6.2 Transfers	214
6.2.1 Interagency Case Transfers	214
6.2.1.1 Interagency Case Transfers Introduction	214
6.2.1.2 Processing Requests for FoodShare Cases Closed Less than a Calendar Month	215
6.3 Negative Notices.....	215
6.3.1 Negative Notices (notice of adverse action)	215
6.4 Fair Hearings	216
6.4.1 Fair hearings	216
6.4.1.1 FSET Program Fair Hearings.....	216
7 Benefits	219
7.1.1 Allotments	219
7.1.1.1 Initial Allotment.....	219
7.1.1.2 Initial Allotment for Migrant and Seasonal Farm Workers	219
7.1.1.3 Initial Allotments for Expedited Issuance.....	220
7.1.1.4 Minimum Allotment for One or Two Person Food Units	220
7.1.1.5 Replacement Issuance for Destroyed Food	220
7.1.1.6 Voluntarily Refunded Benefits Amount.....	222
7.1.1.7 Deny Benefit Increases Due to Penalties in Other Programs.....	222
7.1.1.8 EBT Benefit Issuance Calendar	223
7.1.1.9 Expungement	223
7.2.1 Electronic benefits transfer (ebt).....	223
7.3.1 Benefit Overpayment.....	223
7.3.1.1 Overpayment Claims Against Food Units	223
7.3.1.2 Liability	224
7.3.1.3 Offsetting an Established Claim Amount.....	225
7.3.1.4 Exception	225
7.3.1.5 Moves.....	225
7.3.1.6 15% Local Agency Retention	225
7.3.1.7 Overpayments Due to Receipt of Tribal Food Distribution and FoodShare in the Same Month.....	225
7.3.1.8 Notice of Overissuance (Overpayment)	226
7.3.1.9 Overpayment Due to Client and Non-Client Error	226
7.3.2 Calculating Overpayment Claim Amounts	227
7.3.2.1 Client and Non-Client Error	227

7.3.2.2 Collecting Client and Non-Client Error Claims Against Participating Food Units.....	231
7.3.2.3 Collecting Claims for Client & Non Client Errors Against Non-Participating Food Units.....	231
7.3.2.4 IPV	231
7.3.2.5 Calculate IPV Claims	232
7.3.2.7 Writing-Off Claims Against Non-Participating Food Units	234
7.3.2.8 Overpaid Claims.....	235
7.3.2.9 Timely Negative Notice	235
7.3.2.10 Tax Intercept	235
7.3.2.11 Notice & Review.....	236
7.3.2.12 Repayments	236
7.4.1 Benefit Underpayment.....	236
7.4.1.1 Restoring Benefits Due to Underpayment.....	236
7.4.1.2 Calculating the Amount of the Underpayment.....	237
7.4.1.3 Notice of Underpayment.....	238
7.4.1.4 Method of Restoring.....	238
8 Appendix	241
8.1 Tables.....	241
8.1.1 Income Limits	241
8.1.1.1 Income Limits	241
8.1.1.2 Regular SNAP Program Income Limits	241
8.1.2 Allotment for monthly net income and FoodShare group size	242
8.1.3 Deductions	243
8.1.4 Disqualification For Divestment.....	244
8.1.5 Eligible Food Items.....	245
8.2 Worksheets and Forms.....	245
8.2.1 Worksheets and forms	245

1 GENERAL PROGRAM REQUIREMENTS

1.1 INTRODUCTION

[View History](#)

1.1.1 GENERAL PROGRAM INTRODUCTION

7 *CFR* 273.1(a)

FoodShare Wisconsin helps low-income individuals and families buy the food they need for good health.

The U.S. Department of Agriculture Food and Nutrition Service (FNS) is responsible for setting the basic program rules for the Supplemental Nutrition Assistance Program (SNAP) so they are similar everywhere in the country. The Wisconsin Department of Health Services (DHS) administers the state's SNAP program, called FoodShare. Government income maintenance (IM) workers at county/tribal human or social service agencies (local IM agencies) determine eligibility for FoodShare benefits and are responsible for issuing benefits.

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1.1.2 FOODSHARE BENEFITS

FNS Memo 12/18/14

FoodShare benefits are used to purchase food at authorized FoodShare retailers, including grocery stores, farmers markets, and *direct-marketing farmers* that participate in FoodShare Wisconsin.

FoodShare benefits are deposited in a member's account using an [Electronic Benefits Transfer \(EBT\)](#) system and are spent using a debit card called the Wisconsin QUEST card. The Wisconsin QUEST card allows access to FoodShare benefits through point-of-sale or swipe card terminals at food stores. These transactions look like any other debit card transaction and are free to the cardholder.

FoodShare benefits can be used to buy foods such as:

- Breads and cereals.
- Fruits and vegetables.
- Meats, fish, and poultry.
- Dairy products.
- Seeds and plants that produce food for the household to eat.

FoodShare benefits **cannot** be used to buy items such as:

- Nonfood items (pet foods, paper products, soaps, household supplies, grooming items, toothpaste, cosmetics, etc.).
- Beer, wine, liquor, cigarettes, or tobacco.
- Food that will be eaten in the store.
- Hot foods (for example, food that is purchased and cooked at the store).
- Vitamins and medicines.

Hot foods are only excluded if they are hot at the time they are sold. Occasionally grocery stores will chill hot foods; these items are then eligible for purchase with FoodShare benefits.

If a container deposit fee is required when purchasing an eligible food item, this additional fee cannot be paid by using FoodShare benefits. The container deposit fee must be paid in cash or through another form of payment.

If the member has questions about specific food items, refer the member to the Food and Nutrition Service's [list of eligible food items](#).

If the member eats at a group meal site for the elderly or has meals delivered to the member's home, FoodShare benefits can pay for these meals if the facility or meal provider is an authorized FoodShare retailer.

FoodShare benefits can be used for group meals if the facility is authorized to accept QUEST card and the member is staying in a drug and alcohol treatment center, a shelter for battered persons, a shelter for the *homeless* or a group home for the disabled.

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1.1.3 WHO IS ELIGIBLE

Individuals or families who use FoodShare Wisconsin include people of all ages who are employed but have low incomes, are living on small or fixed incomes, have lost their jobs, or have disabilities and cannot work.

An individual or family does not need to be eligible for, or apply for, *W-2* to qualify for FoodShare benefits.

U.S. citizens and certain citizens of other countries who live in the United States legally and permanently may qualify for FoodShare benefits.

People affected by natural disasters may be eligible for FoodShare benefits. If a natural disaster (flood, tornado, etc.) occurs, special procedures and a simplified application process are used to issue FoodShare benefits quickly to victims of the disaster. See section [5.3.1](#) Disaster Supplemental Nutrition Assistance Program (DSNAP) for Victims of Natural Disasters.

FoodShare Wisconsin can replace food purchased with FoodShare benefits that were destroyed in a household misfortune or disaster. See section [7.1.1.5](#) Replacement Issuance for Destroyed Food.

People receiving their nutrition completely through Total Parenteral Nutrition (TPN) may be eligible for FoodShare benefits even if the TPN is covered by Medicaid or another medical program.

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1.1.4 ELIGIBILITY OVERVIEW

Non-Financial Eligibility

The application process begins with a person contacting a local agency to request FoodShare benefits. The local agency must determine whether the applicant is a Wisconsin resident. The local agency must determine whether the applicant is a boarder, foster person, or resident of an institution. Some applicants are not eligible for FoodShare because their food needs are already met.

Individual Eligibility

To be eligible for FoodShare, an individual must be a U.S. citizen or qualifying immigrant. A Social Security number (SSN) is required, or the individual must apply for an SSN, for each person who is requesting FoodShare benefits. A food unit member cannot belong to more than one FoodShare assistance group with a few exceptions.

Food Unit

The food unit can include anyone who purchases and prepares food with the primary person. There are some exceptions regarding who must be included in the food unit based on relationship rules.

FoodShare Assistance Group

The FoodShare assistance group includes everyone who will receive FoodShare benefits.

Work Programs

Almost everyone age 16-59 must register for work to be FoodShare eligible. Some exceptions include full-time students and parents caring for young children.

Unearned Income

Unearned income and any unearned income that is deemed from an ineligible member may be counted. Some types of unearned income include: child support, unemployment compensation, Social Security, and *W-2* payments.

Earned Income

The food unit's gross earned income may be counted. Some types of earned income include: wages, tips, in-kind, training, and self-employment income.

Room and Board Income

Income the food unit receives from a boarder may be counted.

Gross Income Computation

The 200% federal poverty level (FPL) gross income test applies to all broad based categorically eligible food units (except for food units with an *EBD* member) as a condition of eligibility. Most food units are considered broad based categorically eligible if their gross income is at or below 200% FPL and the language describing "Job Center" services is issued to the food unit on a *CARES* generated notice of decision.

Note: FoodShare worksheet and the CWW budget page refers to "assistance group size" for the gross income test.

Food units that include an elderly, blind, or disabled member with gross income that exceeds 200% of the FPL must be tested for FoodShare using the regular SNAP rules. Under the regular SNAP rules, these food units have no gross income limit but must have a net income that does not exceed 100% of the FPL and countable assets that do not exceed \$3,250.

Dependent Care

If a food unit member pays for child care or care for an *adult* food unit member, he or she may receive a deduction for each dependent. The care must be necessary for the food unit member to look for work, go to work, or attend school.

Shelter and Utilities

Food units that have a shelter and utility obligation may receive a shelter and utility deduction. The food group will receive a standard utility allowance based on the receipt of Wisconsin Heating Energy Assistance Program/Low Income Home Energy Assistance Program (WHEAP/LIHEAP) benefits in the current month or past 12 months. Unless the food unit includes an elderly or disabled individual, a shelter deduction is allowed only if the total shelter expense exceeds half the income after all other deductions.

Income Test

Food units that are not categorically eligible must pass the 100% FPL net income test based on net income limits based on FoodShare assistance group size. Categorically

eligible food units do not have to pass this test; however, if net income exceeds the FoodShare net income limit, FoodShare assistance groups of three or more people may not receive FoodShare benefits. If the group's net income equals or is less than the limit, the group might be eligible for benefits.

Note: Assistance group size is listed on the CWW budget page for the net income test.

Allotment

The allotment is the monthly amount of FoodShare benefits an eligible FoodShare assistance group receives. The allotment is calculated by looking at FoodShare assistance group size and total adjusted net income. Prorate the initial allotment if the FoodShare assistance group applies after the first of the month.

Renewal Date

The local agency must review a food unit's eligibility within certain time frames. Most food units are certified for 12 months. Food units that include a *migrant* or seasonal farm worker, and food units who are *homeless*, are certified for six months. These food units are subject to a reduced reporting policy.

Food units that include only *EBD* individuals with no reported earnings are certified for 12 months and must report most changes within 10 days.

Benefit Amounts

FoodShare benefit amounts are based on the number of individuals who are eligible and monthly net income after deductions. The lower the net income, the more FoodShare benefits a FoodShare assistance group may receive. Only families with very little or no monthly net income will receive the maximum amount of FoodShare benefits.

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1.2 VERIFICATION

[View History](#)

1.2.1 VERIFICATION INTRODUCTION

7 *CFR* 273.2(f)

[1.2.1.1 General Verification Rules](#)

[1.2.1.2 Request for Verification](#)

[1.2.1.3 Responsibility for Verification](#)

Verification is the use of documentary evidence or a collateral contact with a third party to confirm the accuracy of statements or information. The local agency must allow FoodShare applicants/members at least 10 days to provide required verification.

The verification receipt date is the day verification is delivered to the appropriate agency, or the next business day if verification is delivered after the agency's regularly scheduled business hours. Agencies must stamp the receipt date on each piece of verification provided.

1.2.1.1 General Verification Rules

The general verification rules are as follows:

1. Only verify those items required to determine eligibility and benefits for the programs for which you are testing eligibility.
2. Do not verify an item that is not required to be verified and is not documented in case comments as questionable.
3. Avoid over-verification (requiring excessive pieces of evidence for any one item). If you have all the verification you need, do not continue to require added verification.
4. Do not verify information already verified unless you believe the information is fraudulent or differs from more recent information. If you suspect fraud exists, determine if you should make a referral for fraud or for front-end verification. See the [Income Maintenance Manual](#) Chapter 12 Fraud Prevention/Front End Verification.
5. Do not exclusively require one particular type of verification when various types are adequate and available.
6. Verification need not be presented in person. Verification may be submitted by mail, fax, or another electronic device, or through an authorized representative.

1.2.1.2 Request for Verification

7 CFR 273.2(c)(5); 7 CFR 273.2(h)(2)(i)(A)
OM 14-48

Requests for verification **MUST** be made in writing. Verbal requests are not acceptable and will not stand up in a fair hearing. IM workers are required to give the applicant/member a notice which identifies the required verification, the date the verification is due to the agency, and the consequences of not verifying timely.

Do not deny the FoodShare application when the required verification is not provided until:

1. 10th day after requesting the verification, or
2. 30th day of the application, or
3. The last day of the renewal processing period, whichever is later.

If the 10th or 30th day falls on a weekend or *postal holiday*.

- For negative actions or denials - the action should be taken the next business day.
- For positive actions or approvals - the approval must be processed no later than the due date. Waiting until the next business day or later to process verification for an eligible food unit is untimely and therefore not allowable.

Note: After the denial of an application for failing to provide verification within 30 days, if the food unit provides all requested verification to the local agency during the period on or after the 31st day but no later than the 60th day from the filing date, allow FoodShare to open without requiring a new application or interview. See section [2.1.2.1](#) for more information on time frames for processing late verifications.

Note: After a renewal termination for failing to provide verification, the food unit may provide verification in the month following closure without needing to submit a new application. See section [2.2.1.4](#) Renewal Processing Time Frame.

Allow FoodShare to reopen at Six Month Report Form (SMRF) or renewal when closed for lack of verification (or other reasons) if the reason for case closure is fully resolved during the calendar month following case closure. The SMRF must be returned no later than the last day of the seventh month of the certification period and the renewal interview completed **no later than the last day of the renewal month**.

Allow FoodShare to reopen when closed for lack of verification after a change is reported or discovered, as long as the requested verification is provided in the calendar month following case closure.

In the above situations, benefits are prorated for the FoodShare assistance group from the day the food unit completes all the required actions needed to determine eligibility.

1.2.1.3 Responsibility for Verification

7 CFR 273.2(f)(5)

The applicant/member has primary responsibility for providing required verification and for resolving any discrepancies or questionable information. The local agency must assist the applicant/member in obtaining this verification, provided that the applicant/member has not refused to cooperate with the application process.

If all attempts to verify the information have been unsuccessful because the person or organization providing the information has failed to cooperate with the applicant/member and agency (for example, by charging a fee or refusing to complete a verification form), and all other sources of verification are unavailable, determine an amount to be used for certification purposes based on the best available information. Clearly document the attempts to obtain verification and the reasoning for the estimate that is used. Best available information may include an oral or written statement.

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[View History](#)

1.2.2 SOURCES FOR VERIFICATION

[1.2.2.1 Documentary Evidence](#)

[1.2.2.2 Collateral Contacts](#)

[1.2.2.3 Home Visits](#)

[1.2.2.4 Discrepancies in Verification](#)

[1.2.2.5 Request for Contact](#)

[1.2.2.6 Case Documentation](#)

7 CFR 273.2(f)(4)

Local agencies must use documentary evidence as the primary source of verification for all information except Wisconsin *residence* ([1.2.3.5](#)) and household composition ([1.2.3.7](#)).

Although documentary evidence must be the primary source of verification, acceptable verification must not be limited to any single type of document and may be obtained from the applicant/member or other source. Whenever documentary evidence cannot be obtained or is insufficient to make a firm determination of eligibility or benefit level, the IM worker may require collateral contacts or home visits. See [1.2.6](#) for the Suggested Verification Sources Chart for more details.

1.2.2.1 Documentary Evidence

7 CFR 273.2(f)(4)(i)

Documentary evidence consists of written confirmation of a household's circumstances. Examples of documentary evidence include wage stubs, rent receipts, and utility bills.

Applicants may provide documentary evidence to verify information in person, through the mail, by fax, or other electronic device, or through an authorized representative. Applicants must not be required to present verification in person at the local agency. The local agency must accept any reasonable documentary evidence provided and must be primarily concerned with how adequately the verification proves the statements in the application.

1.2.2.2 Collateral Contacts

7 CFR 273.2(f)(4)(ii)

Collateral contacts consist of oral confirmations of circumstances by persons other than food unit members. A collateral contact may be made either in person or over the telephone.

Note: Authorized representatives completing an application or renewal cannot serve as collateral contacts.

The local agency, generally, must rely on the applicant/member to provide the name of any collateral contact. The applicant/member may request assistance in designating a collateral contact. The local agency is not required to use the collateral contact designated by the applicant/member if the collateral contact cannot be expected to provide accurate third-party verification.

When the collateral contact designated by the applicant/member is unacceptable, the local agency must either designate another collateral contact, ask the applicant/member to designate another collateral contact or to provide an alternative form of verification, or substitute a home visit. The local agency is responsible for obtaining verification from designated collateral contacts.

When talking with collateral contacts, local agency staff should disclose only the information that is absolutely necessary to get the sought-after information. IM workers should avoid disclosing that an individual has applied for FoodShare, disclosing any information supplied by the applicant/member, or suggesting that the applicant/member is suspected of any wrongdoing.

Clearly document the collateral contact information.

1.2.2.3 Home Visits

7 CFR 273.2(f)(4)(iii)

Home visits may be used as verification only when documentary evidence cannot be obtained or is insufficient to make a firm determination of eligibility or benefit level. Home visits must be scheduled in advance with the applicant/member. Home visits are to be used on a case-by-case basis where documentation is insufficient. An error-prone profile does not constitute a lack of verification warranting a home visit.

1.2.2.4 Discrepancies in Verification

7 CFR 273.2(f)(4)(iv)

When unverified information is received by the local agency from an external source, the applicant/member must be given a reasonable opportunity to resolve the discrepancy prior to a determination of eligibility or benefits. If the unverified information is received through an Income Eligibility Verification System (IEVS) data exchange regarding unreported sources of income or assets, the local agency may contact the source directly for verification.

When verification is received, or if the applicant/member fails to provide requested verification, the local agency must issue a notice notifying the applicant/member of the action that has been taken and providing the applicant/member with an opportunity to request a fair hearing prior to an adverse action.

Document clearly in case comments the reason for verification requests due to questionable information or discrepancies.

1.2.2.5 Request for Contact

7 CFR 273.12(c)(3)

The agency may receive unclear information about changes in an applicant's or food unit member's circumstances from which the agency cannot readily determine the effect of the change on the food unit's FoodShare case. The agency may receive unclear information from a third party or from the food unit itself. If there is not enough information reported to request specific verification, issue a request for contact notice to the applicant/member.

The agency may also receive information from *CWW* that the case meets an automated Error Prone Profile (EPP) that the IM worker needs to resolve. In this case, a request for contact notice may also be appropriate.

The request for contact notice advises the applicant/member of unclear information that has been reported and the need to contact the agency within 10 days. If there are other items that need to be verified, the notice will list those specific items. The notice will also state the consequences if the applicant/member fails to respond. The applicant/member has 10 days to respond either by telephone or by other correspondence to clarify its circumstances. The burden of clarifying an issue is placed on the applicant/member. If the applicant/member does not respond to the request for contact, the agency must issue a notice of denial or termination for loss of contact and close the FoodShare assistance group or deny the FoodShare application. If the applicant/member does respond but refuses to provide sufficient information to clarify its circumstances, the agency must also issue an appropriate notice to close the FoodShare assistance group or deny the FoodShare application.

Note: IM workers should add a case comment stating the reason for loss of contact

Example 1: A notice of decision was sent to Mike at adverse action. The notice was returned to the agency by the Post Office as "undeliverable" with no forwarding *address*. The IM worker should enter a "?" on the "Loss of Contact" field and request verification of Mike's Wisconsin *residency*. If Mike does not contact the agency within 10 days, the IM worker should enter the "Y" on "Loss of Contact" and close the FoodShare assistance group.

Example 2: Mary's neighbor reports to the IM agency that a man has moved in with Mary and her children. The neighbor doesn't know the man's name or if he is related to Mary or her children. The IM worker should enter a "?" in the Loss of Contact field and send the verification checklist requesting contact. If Mary does not contact the IM agency within 10 days, a "Y" should be entered and the FoodShare assistance group closed due to loss of contact.

Example 3: Lydia’s landlord reports that he believes either Lydia or her husband is working but doesn’t know where. The IM worker doesn’t know if Lydia or her husband is the one working or what the source of income is. The IM worker should enter the “?” on the “Loss of Contact “ field and send the verification checklist requesting contact. If Lydia does not contact the agency within 10 days, a “Y” should be entered and the FoodShare assistance group closed due to loss of contact.

If the landlord had reported that Lydia was now working at ABC Corporation, the IM worker would enter the appropriate information on the employment page and use the “?” on that page to pend the FoodShare assistance group and request verification.

Example 4: During a renewal, an “expenses exceed income” *EPP* is produced. At the interview, the IM worker is expected to ask questions of the member’s circumstances. The member may have just lost a job and may be living off his or her savings. The member’s circumstance may also appear questionable and require further investigation. A referral to Front End Verification or a fraud investigation may be appropriate.

1.2.2.6 Case Documentation

7 CFR 273.2(f)(6)

Case files must include documentation to support eligibility, ineligibility, and benefit level determinations. Documentation must be in sufficient detail to permit a reviewer to determine the reasonableness and accuracy of the determination.

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Release Date: 05/31/2016

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[View History](#)

1.2.3 NON-FINANCIAL VERIFICATION

[1.2.3.1 Identity Verification](#)

[1.2.3.2 Social Security Numbers Verification](#)

[1.2.3.3 Immigrant Eligibility Verification](#)

[1.2.3.4 Disability Verification](#)

[1.2.3.5 Wisconsin Residency Verification](#)

[1.2.3.6 Address Verification](#)

[1.2.3.7 Household Composition Verification](#)

[1.2.3.8 Student Eligibility in a Two-Year Program](#)

1.2.3.1 Identity Verification

1.2.3 Non-financial Verification

7 *CFR* 273.2(f)(1)(vii)

Verify the identity of the primary person. If the primary person uses an authorized representative, then verify the identities of both the authorized representative and the primary person. Identity is the only verification required to process expedited benefits.

Identity may be verified through readily available documentary evidence, or if this is unavailable, through a collateral contact. See section [1.2.2.2](#) for definition of collateral contact. Any documents, which reasonably establish the primary person's and/or authorized representative's identity must be accepted, and no requirement for a specific type of document, such as a birth certificate or photo ID, may be imposed.

1.2.3.2 Social Security Numbers Verification

7 *CFR* 273.2(f)(1)(v)

Social Security numbers (SSN), or proof that application has been made for an SSN, must be provided for all household members applying for FoodShare, including newborns. Do not deny benefits pending issuance of an SSN if you have documented an SSN application was made. Failure to provide an SSN or proof of application for an SSN will result in denial of FoodShare benefits for that individual.

IM workers receive an alert when an SSN entered in *CARES* does not match the SSN verified by the Social Security System (WTPY). In these cases, verify if possible with a third party source and contact the Social Security Administration.

If the agency determines that a food unit member or applicant has refused to provide or apply for an SSN, that individual is ineligible to participate in FoodShare Wisconsin.

Exception for newborns: See [3.13.1.2](#) SSN Application for Newborns.

1.2.3.3 Immigrant Eligibility Verification

7 *CFR* 273.2(f)(1)(ii)

Verify the immigration status of all non-citizen FoodShare applicants (see section [3.12.1](#) Citizenship and Immigration Status). If a non-citizen does not want the IM agency to contact *INS* to verify his or her immigration status, the IM agency must give the applicant the option of withdrawing the application or participating without that member. An undocumented immigrant is ineligible until acceptable documentation is provided unless the local agency has submitted a request for verification and is awaiting a response from INS, *SSA* (verification of work quarters), or another federal agency.

Verify citizenship only when the statement about an individual's citizenship is questionable. A claim of citizenship is questionable when:

1. The claim is inconsistent with statements made by the applicant;
2. The claim is inconsistent with information on the application or previous applications;
3. The claim is inconsistent with information received from another source, or

4. The person does not have an SSN.

Do not discriminate on the basis of religion, race, ethnic background, political beliefs, or national origin when deciding if a claim is questionable. Do not target groups such as *migrant* farm workers or American Indians for verification. A surname, accent, or appearance that seems foreign is not enough reason to question citizenship.

In addition, if an immigrant is applying for benefits on behalf of another person you may, under federal law, only verify the status of the person who will be receiving the benefits.

1.2.3.4 Disability Verification

7 CFR 273.2(f)(1)(viii)

Verify the disability status of all food unit members applying for FoodShare who are claiming to be disabled (see section [3.8.1](#) Elderly, Blind, or Disabled Individuals).

1.2.3.5 Wisconsin Residency Verification

7 CFR 273.2(f)(1)(vi)

address, Wisconsin *residency*, and household composition are separate and distinct eligibility factors with different verification requirements (see [3.2.1](#) Residence)

Verification of residency is required for FoodShare eligibility, with an exception for *homeless* and migrant workers.

If it becomes known that a FoodShare applicant or member does not reside in Wisconsin, action must be taken to deny or terminate FoodShare benefits for this individual.

Residency must be verified at the time of application and whenever a member states that he or she resides in Wisconsin, but his or her Wisconsin residency is determined questionable. Do not require a specific type of verification. See [1.2.6.1](#) Required Verification to Determine Eligibility

Wisconsin "residency" refers to residing in Wisconsin but is not limited to any specific type of housing.

- State residency is a condition of eligibility which can be verified through a number of acceptable documents from the applicant, a collateral contact, or another source, and must not be limited to a single type of document.
- If the address on the application is not a fixed Wisconsin mailing address and there is no additional information presented at the time of the interview to verify that the applicant resides in Wisconsin, the IM worker should attempt to obtain verification of state residency.
- IM workers should verify state residency only if the information was not already verified for another program (e.g. BadgerCare Plus). In other words, do not over verify.

- Because Wisconsin is a statewide project area, an applicant/member can move from one county to another within the state of Wisconsin and still maintain residency. A county-to-county move does not make an applicant/member's Wisconsin residency questionable.

Note: Persons on vacation in Wisconsin are not residents of Wisconsin.

Exception

An exception exists for verifying the residency of homeless persons ([3.2.1.3](#)) and migrant farm workers ([2.1.4.3](#)). Do not require residence verification for homeless persons or migrant applicants newly arrived in Wisconsin. Do not verify shelter ([4.6.7](#)) as part of residence verification. Shelter verification is a separate verification requirement.

CARES Processing - Residency

If the IM worker is unable to obtain the applicant/member's current address as part of a Wisconsin residency determination at either the application or as part of an ongoing case, Wisconsin residency is questionable and the IM worker must:

- Enter a "Q?" in the Resides in Wisconsin Verification field on the Current Demographics page to pend FoodShare.
- If information is provided by the applicant/member, make the necessary updates to the case and
- If the applicant/member does not respond by the verification due date, update the Resides in Wisconsin Verification field with a "QV". Enter case comments to document the denial or termination of FoodShare due to failure to verify state residency.

An IM worker may become aware of information that makes Wisconsin residency questionable on an ongoing FoodShare case. Examples of questionable residency include:

1. Refusing to provide the address where the food unit is living,
2. Notices returned as "undeliverable with no known forwarding address", or
3. Agency receiving unclear information.

Example 1: Mary is applying for FoodShare. She refuses to provide the street address where she is currently living. She will only provide a general delivery (PO Box) address, but does not claim to be homeless. This brings into question whether she is living in Wisconsin (state residency), and whether her presence in the home will have an effect on her case or another case (household composition).

Since state residency is questionable, the IM worker should follow the process described above to obtain verification of residency. Since Mary's household composition is also questionable, the IM worker should enter a "Q?" in the Household Composition Verification field for Mary's case on the General Case Information page and initiate a Front End Verification, if appropriate. If verification of state residency is not provided by the verification due date, deny the case for failure to do so by

entering a "QV" in the Resides in Wisconsin Verification field on the Current Demographics page. If Mary fails to provide clarifying information on her household composition or verification that is adequate for the IM worker to correctly determine Mary's food unit by the verification due date, then the IM worker must deny FoodShare for failure to do so by entering "QV" in the Household Composition Verification field on the General Case Information page.

Example 2: Margaret is open for FoodShare. Her notice of decision was returned to the IM agency as undeliverable with no forwarding address. The IM agency attempts to obtain Margaret's current address to determine her Wisconsin residency; they are unable to do so and determine that Margaret's Wisconsin residency is questionable. The IM worker must enter a "Q?" in the Resides in Wisconsin Verification field and issue the verification notice using the appropriate verification due dates. If acceptable verification is not received by the due date, the IM worker must enter a "QV" in the Resides in Wisconsin Verification field and run eligibility and confirm to close FoodShare.

Example 3: Susan is applying for FoodShare and provided a Wisconsin street address, but failed to verify her shelter expenses. Since she works in Wisconsin and the address on her pay stub matches the address she provided, state residency is considered to be verified and is not questionable. Additional verification is not needed.

1.2.3.6 Address Verification

Verification of address is not required for FoodShare eligibility.

Address refers to the actual place where the household resides.

- An address is required to be provided unless a household is homeless, a migrant, or newly arrived in Wisconsin. Verification of address is not required.
- A household does not have to reside in a permanent dwelling.
- A household may use a general delivery address when it applies.

An address must be provided in order to set a FoodShare filing date. An application is considered filed the day the agency receives a request for FoodShare with a name, address, and valid signature.

An applicant can give a general mailing address and the application filing date will be set if the application also includes the applicant's name, and signature. If an address is not given on the application, the application is not valid and cannot be used to set the filing date unless the applicant is homeless, migrant, or has recently moved to Wisconsin and does not yet have a fixed mailing address. If the applicant is homeless or migrant, the application must include a name, date, and signature to set the filing date.

1.2.3.7 Household Composition Verification

Household composition affects eligibility. If the household composition is determined questionable, verification is required.

Note: FoodShare applicants and members who are subject to reduced reporting requirements ([6.1.1.2](#)) are required to report changes in household composition at application, renewal, and upon submission of a six-month report form (SMRF); or when a change in household composition would result in additional income that would cause the food unit's total income to exceed 130% of the *FPL* for their reported food unit size. For these food units, a report of a change in address does not necessarily make household composition questionable.

CARES Processing: Household Composition

If information is presented at application that causes household composition to be questionable the IM worker must:

- Enter a "Q?" in the Household Composition Verification field on the General Case Information page to pend FoodShare, **and**
- Initiate a Front End Verification if appropriate.

If the IM worker becomes aware of information that causes household composition to be questionable for an ongoing case he or she must:

- Enter a "Q?" in the Household Composition Verification field on the General Case Information page to pend FoodShare, and add text to the verification checklist to explain to the member the information that needs to be clarified,
- When the information is provided by the member, make the appropriate updates to the case, **and**
- If there is no response from the member by the verification due date, change the Household Composition Verification field to a "QV".

1.2.3.8 Student Eligibility in a Two-Year Program

If a student fails to meet one of the existing exemption reasons ([3.15.1](#)), verification of enrollment in a program that can be completed in two years or less is required. This may include documents such as an enrollment letter, course schedule, financial aid papers, etc.

Verification that course completion has a direct link to employment that is in demand is required only if demand is not common knowledge to the IM worker. For example, many occupations in the health field are in demand and therefore do not need to be verified.

If the direct link to employment is unknown, several sources may be used as verification including: literature from the school such as a brochure or online program information, collateral contact with Job Center of Wisconsin, *FSET* or an employment agency, publications in newspapers or online, etc.

[View History](#)

1.2.4 FINANCIAL VERIFICATION

[1.2.4.1 Gross Non-Exempt Income Verification](#)

[1.2.4.2 Earned Income Verification](#)

[1.2.4.3 Self-Employment Income Verification](#)

[1.2.4.4 Asset Verification](#)

[1.2.4.5 Expense Verification](#)

[1.2.4.6 Dependent Care Expense Verification](#)

[1.2.4.7 Shelter and Utility Expense Verification](#)

[1.2.4.8 Medical Expense Verification](#)

[1.2.4.9 Child Support Payments Verification](#)

1.2.4.1 Gross Non-exempt Income Verification

7 CFR 273.2(f)(1)(i)

Gross non-exempt (countable) income must be verified for all food unit members prior to certification. Verify income for all food unit members through documentary evidence or collateral contact.

Documentary evidence is written confirmation of a food unit member's circumstances; examples include wage statements or check stubs, rent receipts, utility bills, and employment verification forms. Although documentary evidence should be the primary source of verification, acceptable verification cannot be limited to only this type of source and may be obtained through the member or other sources. Other sources may include collateral contacts ([1.2.2.2](#)) which are oral confirmations of a member's circumstances by a person outside of the food unit.

1.2.4.2 Earned Income Verification

You may use income received during the last 30 days as an indicator of the income that is and will be available to the food unit during the certification period, unless that income does not accurately reflect changes in income that have occurred or are anticipated to occur.

You may use statements from employers to verify prospective income.

You may also use the Employment Verification of Earnings (EVF-E) Form to verify prospective income. However, this form is not mandatory for FoodShare. An EVF-E is considered a valid source of earned income verification only if the form is returned as complete, and contains the employer's signature.

If income fluctuates to the extent that a 30-day period alone cannot provide an accurate indication of anticipated income, the agency and the applicant/member may use a longer period of past time if it will provide a more accurate indication of anticipated fluctuations in future income. To average widely fluctuating income, use the food units anticipated income including fluctuations anticipated over the certification period. In any case, make every attempt to accurately verify prospective income and clearly document the reasoning for the prospective income estimate.

Example 1: If Joan's IM worker receives an employment verification form completed by the employer that includes all necessary information to make a reasonable estimate of prospective income and the information is not questionable, the IM worker must not also require Joan to submit check stubs.

The opposite also holds true. If Joan submits all check stubs received in the most recent 30 days that include enough information to make a reasonable estimate of prospective income, and the information is not questionable, the IM worker must not also require Joan to submit a form completed by the employer.

If all attempts to verify the income have been unsuccessful because the person or organization providing the income has failed to cooperate with the applicant/member and agency (for example, by charging a fee or refusing to complete a verification form), and all other sources of verification are unavailable, determine an amount to be used for certification purposes based on the best available information. Clearly document the attempts to obtain verification and the reasoning for the estimate that is used. Best available information may include but is not limited to:

1. One or more check stubs from past pay periods (i.e. more than 30 days ago).
2. An oral or written statement from applicant/member.

As in all cases, instruct the applicant/member to keep all statements and check stubs for future verification purposes.

1.2.4.3 Self-Employment Income Verification

Self-employment income is earned directly from one's own business - not as an employee with specified salary or wages. Self-employment income is verified with Self-Employment Income Reporting Forms (SEIRFs) and/or IRS tax forms.

1.2.4.4 Asset Verification

7 CFR 273.2(f)(2) and 7 CFR 273.2(f)(3)

Assets are not considered in the FoodShare eligibility determination for broad-based categorically eligible FoodShare applicants and members since they are authorized to receive a *TANF*-funded service. Although the amount of available liquid assets must be reported at the point of initial application to determine eligibility for priority service and expedited issuance ([2.1.4](#)), the reported assets are not required to be verified.

EBD food units that have gross income that exceeds 200% of the **FPL** are therefore not categorically eligible and are subject to the \$3,250 asset limit. These food units must verify assets. See [4.4.1](#) Assets.

1.2.4.5 Expense Verification

7 CFR 273.2(f)(3)

Verify expenses that are required to be verified, expenses that are deemed questionable at application, or when a change in expenses is reported. At application/reported change/or renewal ensure that there is up-to-date documentation in the file to support current **CWW** entries.

1.2.4.6 Dependent Care Expense Verification

Dependent care expenses required for food unit members to keep or obtain employment, receive training or education preparatory for employment, or comply with employment and training requirements should be deducted from income. Convert expenses to monthly amounts.

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 dependent care expenses exceed monthly income,
- Reported amount seems unreasonably high compared to market rates, **or**
- Applicant or member receives [child](#) care subsidy and reported the full amount rather than his or her share of the cost.

Reminder: Only the amount of dependent care expenses that the food unit is responsible to pay can be used as a deduction. When a member has been approved for and receiving the dependent care through the child care subsidy program, Wisconsin Shares, the amount paid for through the subsidy would not be considered an allowable dependent care expense.

1.2.4.7 Shelter and Utility Expense Verification

Shelter and utility 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 utility expenses exceed monthly income,
- Applicant or member receives housing subsidy but reported the market rent amount, **or**
- Reported amount seems unreasonably high compared to market rates.

1.2.4.8 Medical Expense Verification

7 CFR 273.2(f)(1)(iv)

Verification at Application

The amount of medical expenses claimed by an *EBD* individual must be verified at application in order for the expense to be used in the FoodShare benefit calculation.

7 CFR 273.2(f)(8)(ii) and 273.12(c)

Verification during the Certification Period

Verify changes in medical expenses reported by the food unit during the certification period if they are from a new source, if the total amount of previously verified medical expenses has changed by more than \$25, or when the information is questionable. Do not act on changes reported by a source other than the food unit, which require you to contact the food unit for verification. Only act on changes in medical expenses that are reported by a source other than the food unit if those changes are verified upon receipt and do not require contact with the food unit.

Example 1: Edith, a disabled FoodShare member, provided proof of her \$200 monthly prescription costs from her pharmacy at application. In the third month of her FoodShare certification period, she reports that she was hospitalized last month and now has a \$1,300 obligation for a hospital bill. Edith and her IM worker agree that this bill will be averaged over the remaining months in Edith's FoodShare certification. Edith's IM worker explains that in order to receive the deduction for this new medical expense, verification is required. If verification is not provided, only the \$200 deduction is allowed.

Example 2: Mario, an elderly FoodShare member, reported and provided proof of his \$90 monthly prescription costs at his most recent FoodShare renewal in December. In March, he reports that his prescription costs have increased to \$114 per month. The IM worker updates his case and does not require verification of the increased medical expense because the total medical expenses did not change by more than \$25.

Example 3: Violet, a disabled FoodShare member, is also eligible for Home and Community-Based Waivers as a Group B participant. At application, Violet reports and provides proof of a recurring monthly medical expense for FoodShare. In the fifth month of her certification period, Violet's IM worker receives notice from the Aging and Disability Resource Center of a medical/remedial cost to be used in her Group B Waiver cost share calculation. For FoodShare purposes, this change is not considered verified upon receipt. Violet's IM worker updates her case by creating a new sequence, and uses the 'OP – Out of Pocket Med/Remedial' code on the Medical Expenses page. This will allow *CWW* to budget the expense correctly for long-term care purposes and not impact her FoodShare determination. If the care manager had provided verification of the medical/remedial expense, the verification could be used as a FoodShare expense at the time the change was reported. The new FoodShare expense amount would be entered using the appropriate code on the Medical Expense page and used

in the benefit calculation.

Note: The CM (Case Management) and OP (Out of Pocket Med/Remedial) codes are NOT applicable for FoodShare. To see what Expense Type codes will work in *CWW* for FoodShare vs. EBD Medicaid, click on the Reference Table Pop Up.

7 CFR 273.2(f)(8)(i)(A)

Verification at Renewal

Previously unreported medical expenses and changes in total recurring medical expenses which have changed by more than \$25, or when information is questionable, must be verified at renewal.

Example 4: Sally reports and provides proof of a \$150 recurring monthly prescription medical expense at her FoodShare application. At her renewal, she states that this monthly expense continues but that it has increased by \$10. Sally's IM worker updates her case and does not require verification.

If Sally had reported at renewal that she also had a new recurring medical expense of \$90 for monthly chiropractic visits, verification of this new expense would be required.

Examples of applicant/member statements that may be considered questionable include:

- Applicant or member has private health insurance or is covered by Medicaid or BadgerCare Plus and is claiming unusually high out of pocket expenses for a time period when he or she had coverage.
- Claimed monthly medical expenses exceed monthly income.

If questionable request verification, which includes: date of service, billing date, amount owed, and date amount is due.

Medical expenses are budgeted prospectively, so do not require eligible *EBD* food unit members to verify recurrent medical expenses monthly. Rely on estimates of recurring medical expenses during the certification period. Include changes that can be anticipated based on available information. Consider the food unit member's medical condition, public or private medical insurance coverage, and the current verified medical expenses incurred by the food unit member.

When converting medical expenses to monthly amounts, use the same calculation methods used for budgeting prospective income.

1.2.4.9 Child Support Payments Verification

7 CFR 273.2(f)(1)(xii)

The legal obligation and actual payments made by a food unit member claiming to pay child support to non-food unit members must be verified.

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[View History](#)

1.2.5 QUESTIONABLE ITEMS

*7 CFR 273.2(f)(2) and
USDA SNAP Policy Guidance, November 11, 2008*

IM agencies may request verification of other factors if information provided at application, renewal, or reported change is questionable, unclear, or incomplete and would have an effect on FoodShare eligibility or benefit level.

Some examples of circumstances that may require further verification are:

1. Household composition
2. Claim of separate food unit
3. School enrollment
4. Household expenses exceed income
5. Pay stub name differs from employed applicant/member's name
6. Medical expenses that are unusually high or exceed monthly income
7. Returned mail such as "undeliverable" or "not known at this address"
8. Resolving any identified *EPPs* ([Process Help](#) Chapter 70)

If an IM agency receives conflicting information, verification must be requested to clarify the circumstances. For example, if food unit expenses exceed income, obtain a written statement from the applicant/member on how they are paying expenses, or verify with the landlord how rent is being paid.

There may be instances where the applicant/member has reported earnings as required by program rules and produced a pay stub to verify those earnings. Although the name on the pay stub differs from the applicant/member's name, the purpose of the documentation is not to verify identity. The applicant/member can attest to the accuracy of those earnings and provide a reasonable explanation for the discrepancy with the name contained on the pay stub. IM workers should document this explanation in case comments. The local agency could reasonably consider such documentary evidence to verify the reported income. See [1.2.1.3](#) Responsibility for Verification.

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[View History](#)

1.2.6 SUGGESTED VERIFICATION SOURCES

[1.2.6.1 Required Verification to Determine Eligibility](#)

[1.2.6.2 Verify Only if Questionable](#)

[1.2.6.3 Verify for a Food Unit to Receive a Deduction \(not required for eligibility\)](#)

Below is a list of suggested verification sources, this list does not include every possible verification option. Accept any documents that reasonably meet the verification requirement; do not require a specific source of verification.

1.2.6.1 Required Verification to Determine Eligibility

Verification Item	Suggested Verification Sources
Immigration Status	<ul style="list-style-type: none"> • SAVE • <u>INS</u> Alien Registration Card (Permanent Resident Card) • Naturalization certificate • <u>SSA</u> query to verify work quarters
Wisconsin <u>Residence</u>	<ul style="list-style-type: none"> • Current rent receipt that must show <u>address</u> • Current mortgage receipt • Current lease agreement • Landlord inquiry • Current utility bill with address and responsible person's name • Check stub with current address • Driver's license • Home visit • Subsidized housing authority approval • Post office statement or collateral contact • Library card • Voter registration • Piece of mail received at claimed residence • Real estate tax statement or receipt • Weatherization program approval or denial • Renter or homeowner's insurance documents • School registration record • Letter from employer offering job • Telephone book • Motor vehicle registration • List of residents from a treatment center official, group home, etc. • Written statement from non-relative • Data exchange completed through DMV
Monthly Gross Income	<p>Earned Income:</p> <ul style="list-style-type: none"> • Dated check stubs for the previous 30 days with the employee's name or ID number • Earnings report or statement from employer • IEVS report or computer match from another state -

	<p>to be used only if no other form of verification exists. IEVS matches are not verification of the income an employee has earned. IEVS is an indicator that income was earned from that employer sometime during the three months of the work quarter identified. For change reporting requirements see 6.1.1.2. For change reporting requirements for EBD food units with no earnings, see 6.1.1.1.</p> <p>Unearned Income:</p> <ul style="list-style-type: none"> • Department of Workforce Development unemployment query • Pension statement • SSA's WTPY report • Current award letter • Current SSA or SSI check • Collateral contact with the employer, SSA, insurance company • IEVS report or computer match from another state <p>For self-employment or farm income and expenses:</p> <ul style="list-style-type: none"> • Income tax return for the previous tax year • Self-Employment Income Report Form(s) (SEIRF) • Bookkeeping records
<p>Primary Person's ID</p>	<ul style="list-style-type: none"> • Birth record query • Birth certificate • IEVS match • SSA (DXSQ/DXSN matches) • Baptismal certificate • Military service papers • Immigration or naturalization papers • Hospital birth record • Adoption record • Passport or US citizen ID card • Family bible • Paycheck • Driver's license • Completed SS-5 • Confirmation or church membership papers • Voter registration card • Family records (birthday books, genealogy, newspaper birth announcement, marriage license, support or divorce papers) • Employee ID card • Life insurance policy • School records (ID, report cards, diploma) • State/federal or Indian census records

	<ul style="list-style-type: none"> • Medical records (vaccination certificate, doctor's or clinic's records, bills) • Other social service program ID (when another program of assistance has already verified ID, ID for FoodShare requirements is complete) • Labor union or fraternal organization records • Court order of name change • Wage stubs • Voter's registration card
<p>Disability/Blindness</p>	<ul style="list-style-type: none"> • Statement or collateral contact from <u>VA</u> disability benefits • Statement, check, or collateral contact from Social Security Administration • Statement or collateral contact that proves a person receives a Railroad Retirement disability annuity and also qualifies for Medicaid • Statement or collateral contact • Statement that a person receives <i>Interim Assistance</i> benefits pending the receipt of SSI and SSDI • Statement or collateral contact that proves that an individual receives general assistance and meets the SSA guidelines for a disability
<p>ABAWD Work Requirement Exemptions*</p>	<ul style="list-style-type: none"> • Agency form, such as form F-01598 Medical Exemption from Work Requirement for ABAWDs • Statement from health care provider, social worker, or AODA service provider • Employer form/paystub/tax document/EVF-E • Data exchanges • By using information known to the agency including in-person agency verification of a visibly obvious ABAWD status or exemption, such as pregnancy or inability to work due to a temporary or permanent health condition • IM worker determination that the member is unfit for employment without requiring a statement or additional verification • Information known to the agency • Collateral contact • Other acceptable written statement

*If an ABAWD exemption is not verified, the exemption will not be applied and the member will be treated as a non-exempt ABAWD if not otherwise exempt or a non-ABAWD.

1.2.6.2 Verify Only If Questionable

1.2.6 Suggested Verification Sources

Verification Item	Suggested Verification Sources
<u>Dependent Care*</u>	<ul style="list-style-type: none"> • Written statement from provider • Cancelled check • Collateral contact with provider • Paid receipt or bill • Collateral contact with <u>child</u> care worker (Wisconsin Shares)
<u>Shelter / Utility Expense*</u>	<ul style="list-style-type: none"> • Mortgage payment records • Rent receipt • Statement from landlord • Lease • <u>HUD</u> subsidized housing approval • Property tax statement • Real estate agreement • Canceled check for rent or utility payment • Statement from person(s) with whom the food unit shares shelter costs • Utility bill • Utility budget amounts • Statement from utility company • Landlord inquiry • Deferred payment agreement • Firewood receipt • Telephone bill • Documented collateral contact with landlord or utility company • Statement or receipt from landlord for utilities paid by landlord • Homeowner's insurance policy or billing statement • Statements from collateral contact • Received WHEAP/LIHEAP or other energy assistance
<u>SSN</u>	<ul style="list-style-type: none"> • Social Security Card • Form 1610 (I-D) • Form SSA-5 • Form 2583 • Tax documentation (<u>W-2</u>, tax return form, refund check) • <u>SSA</u> documents such as award/denial letter or SSA/SSI benefit check • SOLQ-I search • HP Enterprise Services query
Age	<ul style="list-style-type: none"> • Birth certificate • IEVS match • Baptismal certificate • Military service papers • Immigration or naturalization papers

	<ul style="list-style-type: none"> • Hospital birth record • Adoption record • Passport or U.S. citizen ID card • Driver's license • Family records (birthday books, genealogy, newspaper birth announcement, marriage license, support or divorce papers) • Life insurance policy • School records (ID, report cards, diploma) • State/federal or Indian census records
Relationship	<ul style="list-style-type: none"> • Birth record query • Birth certificate • Baptismal certificate • Military service papers • Immigration or naturalization papers • Hospital birth record • Adoption record • Family bible • Confirmation or church membership papers • Family records (birthday books, genealogy, newspaper birth announcement, marriage license, support or divorce papers) • Life insurance policy
Household Composition	<ul style="list-style-type: none"> • Written or oral statement from a third party • Affidavit signed by applicant indicating food is purchased and prepared separately from other household members
School Enrollment Status	<ul style="list-style-type: none"> • Report card • Collateral contact with school authorities • Current school schedule

* Lack of verification will not affect eligibility but the deduction will not be allowed.

1.2.6.3 Verify for a Household to Receive a Deduction (not required for eligibility)

Verification Item	Suggested Verification Sources
Child support paid out	<ul style="list-style-type: none"> • KIDS/CARES Interface • Court documentation
Legal Obligation to pay child support	<ul style="list-style-type: none"> • <u>KIDS</u>/CARES Interface • Court documentation
Medical Expenses	<ul style="list-style-type: none"> • Billing statement • Itemized receipts • Medicare card showing Part B coverage • Health insurance policy showing premium,

1.2.6 Suggested Verification Sources

- coinsurance, co-payment, or deductible.
- Medicine or pill bottle with price on label
- Statement from pharmacy
- Repayment agreement with provider
- Written statement or collateral contact from doctor verifying over-the-counter drug was prescribed
- Bill for services of a visiting nurse, home-maker, home health aide
- Lodging or transportation receipts, or both, for obtaining medical treatment or services
- Bill or receipts for animal food, training, or veterinarian services for a specially trained *service animal*.
- Bill or receipt for purchase or rental of prescribed equipment or medical supplies, or both
- IM case record for a Medicaid deductible

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2 APPLICATIONS AND RENEWALS

2.1 APPLICATIONS

[View History](#)

2.1.1 INITIAL CERTIFICATIONS (APPLICATIONS)

7 *CFR* 273.2(d)

[2.1.1.1 Application Forms](#)

[2.1.1.2 Application Process](#)

[2.1.1.3 New Application Required Due to Break in Service](#)

[2.1.1.4 Setting the Filing Date](#)

[2.1.1.4.1 Telephonic Signatures](#)

[2.1.1.4.2 Faxed Application Registrations](#)

[2.1.1.4.3 Application Registrations at the Wrong Agency](#)

[2.1.1.5 SSA Participation in FoodShare Applications](#)

Local agencies must encourage individuals to file an application or set a filing date for FoodShare on the same day they express an interest in FoodShare or concerns about food insecurity. Local agencies must not discourage individuals from applying for FoodShare if their application or benefits for another program have been denied or terminated. In this situation, the local agency shall encourage the individuals to continue with the FoodShare application process.

2.1.1.1 Application Forms

Wisconsin provides an online application for FoodShare through ACCESS Apply for Benefits. The ACCESS application can be found at access.wi.gov/.

The paper application for FoodShare has been developed for use when the CARES system is unavailable. It can also be given to applicants who request a paper application form and for *SSA* staff when they accept applications from individuals where all household members are applying for or receiving *SSI*. The form can be found on the Eligibility Management webpage at dhs.wisconsin.gov/em/imforms.htm and is available in the following formats:

- FoodShare Wisconsin Registration Form - [F-16019A](#) includes the Registration Form and Important Information.
- FoodShare Wisconsin Application Form - [F-16019B](#) includes the Registration Form, Important Information (Part 1) and the Application Form (Part 2).

Registration Form - This section will be completed by the applicant and must include the minimum information (name, address and signature). This section of the form is

2.1.1 Initial certifications (applications)

designed to be separated from the other sections so that it can be mailed, faxed, or hand delivered to the agency in order to set the FoodShare application filing date. This form can also be used to determine eligibility for expedited services.

Important Information Form - This section describes the applicant/member's rights and responsibilities. It is designed to be separated from the Registration and/or the Application Form so that the applicant/member can keep this information for his or her records.

Application Form - This section gathers the information necessary to determine FoodShare benefit eligibility. It is designed to be separated from the other sections so that it can be submitted to the agency.

2.1.1.2 Application Process

A new application for FoodShare benefits is required whenever an individual or family makes a request for FoodShare benefits and:

1. They have not received FoodShare benefits in Wisconsin in the current or past month, **or**
2. They have received FoodShare benefits, but benefits have been **denied/terminated beyond the calendar month following the month of closure.**

The FoodShare application process includes:

1. Submitting an application in one of the following ways:
 - a. Submitting a signed *RFA* following the client registration process,
 - b. Submitting a FoodShare request with at least the minimum information required (name, address, and signature) using the FoodShare Registration or Application forms ([F-16019A](#) or [F-16019B](#)),
 - c. Completing an [ACCESS](#) application with an electronic signature, **or**
 - d. Completing a request over the phone using a telephonic signature ([2.1.4.4.1](#)).
2. Completing an interview. ([2.1.3.5](#)),
3. Verifying certain information ([1.2.1](#)),
4. Resolving any identified *EPPs* ([Process Help](#) Chapter 70)
5. Confirming the FoodShare eligibility determination in CARES ([2.1.7](#)).

Assistance, such as providing an interpreter, meeting disability needs, etc., must be provided **at no cost to the applicant** in order to complete the application process.

Important Note: The agency should not create an *RFA* and also have the applicant apply online or by phone. The application should be submitted one way or the other, but not both. Submitting duplicate applications only delays application processing and benefit issuance.

2.1.1.3 New Application Required Due to Break in Service

A break in service means that the FoodShare assistance group has closed and FoodShare has not reopened during the month following the month of closure. A break in service requires a member of the food unit to reapply and complete the application process if they wish to receive benefits. Under some circumstances, income maintenance (IM) workers can reinstate a closed FoodShare assistance group without requiring a new application if all requirements are met during the month after the closure month.

Allow FoodShare to reopen at renewal, if the requested action is completed in the month following the end of the current certification period **as long as the interview was completed in the renewal month.**

- An interview must be completed within the renewal month of the current certification period to be considered timely. If the food unit fails to complete a timely interview, FoodShare will close effective the last day of the renewal month, and a notice of closure will be sent at adverse action of the renewal month. A new FoodShare application is required in the month following the renewal due month.
- If FoodShare closes for lack of verification or other reasons after a timely renewal interview and the food unit takes the required action within the calendar month following the certification period, the agency shall reopen FoodShare and prorate benefits from the date the food unit took the required action. The certification period will begin with the month after the renewal was due.
- If FoodShare closes due to agency delay in scheduling the interview or the food unit is not available to complete the interview offered by the agency until the month following the renewal month, benefits shall be restored back to the first of the month to ensure ongoing benefits, as long as verification is timely.
- If the food unit contains a member who is a *migrant* and received FoodShare in the previous calendar month, benefits will not be prorated from the day the food unit provides necessary information but will be restored back to the beginning of the month ([7.1.1.2](#)). Benefits should not be issued as expedited when applying a break in service.

The reason for FoodShare closure must be fully resolved during the calendar month following case closure prior to reopening the case under break in service policy.

Example 1: Sam requests an appointment to renew his FoodShare benefits on September 25. His benefits end on September 30. The first available appointment is October 3. Sam meets with his IM worker on October 3. The IM worker documents in case comments the reason for the late certification.

Example 2: Raquel's FoodShare closes December 31 for failure to verify information. On January 2, Raquel turns in the requested verification. In this circumstance, the IM worker is able to reopen the closed FoodShare case and

Raquel is not required to file a new FoodShare application.

2.1.1.4 Setting the Filing Date

An applicant must provide the minimum information necessary in order to set a FoodShare filing date. This includes name, address, and signature. Local agencies must encourage applicants to file an application or set a filing date for FoodShare on the same day they express an interest in FoodShare or indicate food insecurity. If an applicant chooses not to set a filing date the same day they contact the agency, the FoodShare application ([F-16019A](#)) must be provided if they request it.

The filing date is set the same day, or the next business day if received after the regularly scheduled business hours, when the agency receives one of the following:

1. A signed signature page printed from CARES during the registration process;
2. A signed one-page application registration form ([F-16019A](#));
3. A signed FoodShare Wisconsin application form ([F-16019B](#));
4. A signed faxed registration and/or application form;
5. A request is made and a telephonic signature ([2.1.1.4.1](#)) is provided;
6. An ACCESS application containing an electronic signature; **or**
7. A late FoodShare ACCESS renewal.

Note: ACCESS uses the CARES holiday schedule on the CARES Mainframe table TDHY when setting the filing date for holidays. Agencies may be closed on some days that are not CARES holidays such as the day after Thanksgiving, Veteran's Day, and Christmas Eve. ACCESS submissions will have filing dates set on these days even though the agency may be closed. When processing these requests, IM workers should update the filing date to the next business day for their agency and document in case comments that the agency was closed on that date.

An applicant may verbally request FoodShare, but must also provide a request with a signature through one of the formats listed above in order to set a filing date.

Example 3: A FoodShare case has been open since March. The 12-month renewal was due by February 28. The member did not complete an interview in the renewal month. It is now March 3 and the member is calling to complete the interview and renewal. In this scenario, the member would need to reapply for FoodShare, and benefits would be pro-rated from the date the member provided a signature setting the new filing date ([2.1.1.4.1](#)). This case would also require an evaluation for expedited services ([2.1.4](#)).

The FoodShare Application Registration Form can be used when:

- An applicant comes into the agency, requests FoodShare, but cannot stay to complete the Client Registration process in **CWW**,

- The agency does not have sufficient time or personnel to complete client registration process before the office closes to the public, or
- An applicant calls to request FoodShare and there is insufficient time to complete the telephonic signature before the office closes to the public, or the applicant does not want to complete a telephonic signature and requests a form to be mailed to them.

This procedure was established to ensure applicants have the opportunity to set a filing date the first day they contact the agency. In some instances, the applicant may request to take this form or a FoodShare Application with them. These materials should be made available for the applicant to take. However, it is important for the agency representative to explain the importance of setting the filing date, how it is set, expedited benefits, and verification policies.

The agency should always attempt to set the filing date the same day of contact with the applicant.

2.1.1.4.1 Telephonic Signatures

7 CFR 273.2(c)(2)

An applicant may verbally request FoodShare and sign an *RFA* or application by providing a telephonic signature. A telephonic signature is the same as a written or electronic signature and it sets the filing date for FoodShare.

Applicants must attest that the information they provided is complete and accurate when providing their telephonic signature. A case summary must be sent to the applicant following the interview. The applicant will have 10 days to notify the agency if corrections are needed.

The agency must have Call Center Anywhere (CCA) in order to record a telephonic signature. A copy of the case summary showing that a telephonic signature was collected is stored in the electronic case file. The IM worker should record the signature in CCA.

2.1.1.4.2 Faxed Application Registrations

7 CFR 273.2(c)(1)

IM agencies should accept faxed application registrations to initiate the application process and set the filing date. No benefits should be issued, nor should any final determination of an applicant's eligibility be made until an interview is completed unless the application meets the expedited criteria and the interview has been postponed. Faxed application registrations received on weekends, holidays, or after hours should be considered received on the first working day following receipt of the application registration.

2.1.1.4.3 Application Registrations at the Wrong Agency

2.1.2 Application Processing Time frame

7 CFR 273.2(c)(2)(ii)

As of June 15, 2009, FoodShare applicants are no longer required to apply for assistance in the county in which they reside. The filing date for FoodShare will be set wherever an application is submitted, regardless of whether the applicant submits the application in the county in which he or she resides. The case must still be processed and maintained by the local agency in the applicant's county of *residence*. In January of 2012, IM program administration was taken over by Milwaukee Enrollment Services (MilES), tribal agencies, and 10 consortia groups made of local county agencies. Each consortium will have a call/change center that will be responsible for updating cases for all agencies within the consortium.

When an ACCESS application or *RFA* is submitted to a county other than the county of residence, the county that received the application or *RFA* should transfer it to the correct county inbox the same day that it is submitted to allow the county time to review for potential expedited service. The filing date will not be reset when the application or *RFA* is transferred.

Mailed or faxed applications received by a county other than the county of residence should be date stamped and faxed to the county of residence the same day that it is submitted to allow the county of residence time to start the expedited service process if appropriate. The filing date is the date the application was received in any IM agency.

2.1.1.5 SSA Participation in FoodShare Applications

7 CFR 273.2(k)

Currently, SSA does not participate in a joint FoodShare application process.

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[View History](#)

2.1.2 APPLICATION PROCESSING TIME FRAME

[2.1.2.1 Application Processing 30-Day Time Frame](#)

[2.1.2.2 Late Expedited Determinations](#)

2.1.2.1 Application Processing 30 Day Time Frame

7 CFR 273.2(c); 7 CFR 273.2(g); 7 CFR 273.2(h)(2)(i)(A)
OM 14-48

The application process must be completed 30 days from the initial filing date, unless the applicant is eligible for expedited services ([2.1.4](#)). Day one of the application processing period is the day after the filing date. The time frame for processing an application is the filing date +30 days.

If the 30th day falls on a weekend or *postal holiday* :

- For denials - the action to deny should be taken the next business day.
- For approvals - the approval must be processed no later than the 30th day. Waiting until the next business day or later to process an application for an eligible FoodShare assistance group is untimely and therefore not allowable.

Note: If the application is being processed after adverse action, CARES will test eligibility for the application month and the next two months. If the food unit is ineligible for the application month and the second month, eligibility for the third month will also fail and the applicant would have to reapply even if there are changes in the third month that may make the food unit eligible for that month.

Applicants are required to cooperate with the completion of this process. Local agencies are required to assist the applicant in the completion of the application process if the applicant requests such assistance.

Late Verifications

At application, when an applicant fails to submit required verification by the 30th day following the filing date, or 10 days from the date verifications were requested, whichever is later, the application should be denied. The applicant has an additional 30 days from the date of a timely denial (denied on day 30), or 60 days from the filing date, to submit the required verification without requiring a new application or interview (i.e. required verifications are received during the period on or after the 31st day but no later than the 60th day from the filing date). If the applicant is found eligible, benefits should be prorated from the date all required verifications were submitted. The initial month of application should be denied.

Example 1: Jane applies on January 5, and her application is considered a regular 30 day application. Her verification checklist is mailed on January 6 with a due date of February 5. Jane fails to submit the required verifications by February 5. Her case is denied for lack of verification on the 30th day. The notice will inform Jane that she will have until March 9 (60 days from the filing date including extension for weekends) to submit the required verification without needing to reapply. If verifications are not submitted by this date, Jane will need to reapply and complete a new interview in order to have her eligibility determined.

Note: If verifications are submitted any time after February 5 but on or before March 9, issue prorated benefits from the date all verifications were submitted.

See [1.2.1.2](#) for details on verification time frames.

2.1.2.2 Late Expedited Determinations

7 *CFR* 273.2(i)(3)(iv)

A late determination of expedited benefits happens when an application is submitted as a non-Priority Service application, but found to be eligible for expedited benefits during

the interview or at any other time during the eligibility determination process. Once the agency is aware that the applicant is eligible for expedited benefits, benefits must be made available to the FoodShare assistance group within seven calendar days from the date of discovery. The application is no longer considered a 30 day application, but an expedited eligible application and must be processed as such.

Example 2: An ACCESS application is submitted on January 18 and the information provided on the application indicates that applicant does not qualify for priority service. The interview is scheduled and held on January 28. During the interview the IM worker determines that the applicant is eligible for expedited issuance. There could have been a change in the applicant's circumstances or the Priority Service Determination screen could have been filled out incorrectly. The FoodShare benefits must now be confirmed on or before February 4 to be considered timely. If the FoodShare benefits are confirmed any later than February 4 they will be untimely. In this situation the IM worker does not have until February 18 to make a final determination as he or she originally had when this was a 30 day application.

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[View History](#)

2.1.3 INTERVIEWS

[2.1.3.1 Scheduling the Interview](#)

[2.1.3.1.1 Notice of Missed Interview \(NOMI\) Requirements](#)

[2.1.3.2 Completing the Interview](#)

[2.1.3.3 Use of an Authorized Representative](#)

[2.1.3.4 Signature](#)

[2.1.3.5 Telephone Interviews](#)

[2.1.3.6 Completing Telephone Interviews](#)

[2.1.3.7 Post Interview Process](#)

2.1.3.1 Scheduling the Interview

7 *CFR* 273.2(e)(3)

Local agencies must make every attempt to schedule interviews to ensure that an initial FoodShare eligibility determination can be completed within the 30 day processing time frame. Priority Service interviews must be completed unless postponed ([2.1.4](#)) and benefits must be issued no later than the seventh calendar day following the filing date.

FoodShare applicants have the right to complete a face-to-face or phone interview ([2.1.3.5](#)). If an applicant requests a face-to-face interview, the interview is typically held at the local office but may be held at a mutually acceptable location including the

applicant's residence. If an interview is scheduled at a residence, it must be scheduled in advance.

Agencies are required to schedule and provide written notice of an interview for an initial FoodShare application. Notice of the application interview must be in writing and mailed to the applicant unless the notice cannot be received by the applicant prior to the date of the interview. Verbal notification of the interview is only allowable if an interview letter cannot be received prior to the interview and only if the agency provides this information directly to a responsible adult household member. If verbal notice is provided the agency must document in case comments that a verbal notice was provided, the name of the person who received the verbal notice, the date and time of the interview and whether the interview will be conducted by telephone or face-to-face.

If the applicant is physically present when the appointment is scheduled, the agency must provide the applicant a print out of the written notice.

The IM worker must make two attempts to contact the applicant or an adult member of the food unit at the time of the scheduled interview. If the first attempt to contact the food unit is unsuccessful, make a second attempt 15 minutes after the first call. If the second attempt is unsuccessful, document in case comments that the IM worker was unable to contact the food unit at the appointment time, that the follow-up call was made, and the length of time between calls. Send the Notice of Missed Interview (NOMI), directing the food unit to contact the agency to reschedule.

NOMI requirements must be met if the applicant or member misses the interview.

Local agencies must notify each applicant/member who misses the application or renewal interview that they missed the scheduled interview and that the applicant/member is responsible for rescheduling a missed interview. The use of Client Scheduling in *CWW* will ensure that the NOMI is generated by CWW and sent to the applicant/member, see [Process Help](#) 1.8.9.7 for details on the automated NOMI process. If Client Scheduling is not used, a NOMI must be manually issued by the local agency. A copy of the agency notice must be scanned to the electronic case file. Agencies may not deny an application prior to the 30th day after the application filing date if the applicant fails to appear for the first interview.

For applicants who miss a scheduled appointment and contact the agency to reschedule within the 30-day application processing period ([2.1.2](#)), the agency must schedule another interview.

On-Demand Interviews

Wisconsin received waiver approval for IM consortia to implement an on-demand, or unscheduled, interview model. Once a consortium implements the on-demand interview model, FoodShare applicants and renewing members will be able to call their IM agency

to complete their required FoodShare interview during the agency-designated FoodShare on-demand hours.

A consortium must apply this model across all agencies within the consortium. An on-demand interview must be offered at both application and renewal.

A consortium implementing the on-demand interview model must continue to provide a scheduled face-to-face or telephone interview upon request.

All FoodShare applications must be screened for expedited service. A consortium must meet the following application and renewal processing standards:

- Expedited applications: IM workers must make at least two attempts to contact an applicant to complete the interview on the same business day the application is received or by the end of the next business day. IM workers must continue to meet all expedited service processing standards.
- Standard 30-day applications: IM workers must make at least two attempts to contact an applicant to complete the interview on the same business day the application is received or by the end of the second business day following the day it was received.
- Renewals: IM workers must make at least two attempts to contact a member to complete the interview on the same business day the renewal is received or by the end of the fifth business day following the day it was received. **Note:** On-demand interviews must be offered for all renewals when received.

Note: IM workers must allow at least 15 minutes between the first and second attempt to contact the applicant/member.

Notice of Interview

If an IM worker is unable to complete the interview at the time he or she contacts a household as described above, the IM worker must send a Notice of Interview. For on-demand interviews, the Notice of Interview language will be generated on the verification checklist (VCL). The household has nine calendar days from the VCL mailing date to call and complete the FoodShare interview. The Notice of Interview provides instructions to complete the interview. If the last day of the on-demand interview time frame falls on a weekend or CARES holiday, the due date will be the next business day. The on-demand interview timeframe of “10 days to call to complete” will not be adjustable in *CWW*. Verification due dates for other types pending after the interview will continue to be based on policy requirements and IM worker action.

2.1.3.1.1 Notice of Missed Interview (NOMI) Requirements

Application:

Not expedited

The agency must send a separate NOMI letter to each applicant who does not meet the criteria for expedited issuance and misses the scheduled interview appointment. The NOMI letter must inform the applicant that he or she missed the scheduled appointment and is responsible for rescheduling the interview. If the applicant contacts the agency within the 30-day application processing period, the agency must schedule a second interview. The application may not be denied due to an incomplete interview prior to the 30th day after the application filing date.

Expedited regular

A NOMI must be sent when: the household misses the interview that was scheduled and a second interview cannot be scheduled within the seven day expedited processing period due to household delay.

Expedited with postponed interview

A NOMI is not needed when a household misses the scheduled interview for ongoing benefits after there has been a postponed interview (expedited benefits issued already).

On-demand interview

If an applicant does not complete the required FoodShare interview by the last day of the on-demand interview time frame specified on the VCL, a NOMI will automatically be generated from *CWW*. The NOMI will include the date by which the interview must be completed and will indicate that the household will not get FoodShare benefits if the interview is not completed. If an interview is scheduled using Client Scheduling, the NOMI will be automatically generated when a scheduled interview appointment is missed.

Renewal:

Language contained in the CARES generated Renewal Notice and closure notice meets NOMI requirements, therefore an additional NOMI letter does not have to be sent if the member misses the scheduled interview appointment.

On-demand interview

If a member does not complete the required FoodShare interview or verification requirements before adverse action of the renewal month, a Notice of Termination with NOMI language will automatically be generated from *CWW*. The notice will include the date when the member's FoodShare benefits will end due to not completing the required interview and will indicate that the member should call the agency to complete the interview.

2.1.3.2 Completing the Interview

7 CFR 273.2(e)(1); 7 CFR 273.2 (b)(4)(iv)

During an interview, the agency must not simply review the information that appears on the application but must explore and resolve with the applicant all unclear information. The interviewer must also advise applicants of their rights and responsibilities during the interview.

Although *CWW* provides a means for an individual to apply for several programs of assistance, FoodShare eligibility must be based solely on the requirements and regulations governing the FoodShare Program. Applications for FoodShare may not be denied solely on the basis that an application to participate in another program has been denied. Similarly, ongoing FoodShare benefits may not be terminated solely because benefits from another program have been terminated. During an interview, the interviewer must advise applicants for joint W-2/FoodShare that W-2 requirements do not apply to FoodShare and households that lose or decline W-2 benefits may still qualify for FoodShare.

The agency must ask the applicant to identify all household members and their relationship to each other, and if they share food.

Providing Social Security numbers (SSNs) ([3.13.1](#)) for each household member is voluntary. However failure to provide an SSN will result in the denial of FoodShare benefits to each applicant failing to provide an SSN. Although SSN and immigrant status information is not required for household members not applying for benefits, the agency must determine if the non-applicant household member has income or assets that affect the applying applicants' eligibility. If so, that information must be provided and verified in order to determine FoodShare eligibility for the applicant(s).

Required Interview Topics

All FoodShare interviews must include a discussion of these items in addition to standard financial and non-financial criteria:

- Use of SSNs ([3.13.1](#)).
- FoodShare rights and responsibilities.
- Change reporting requirements ([6.1.1](#)) at the time of the interview.
- Six-month reporting ([6.1.2](#)) and/or renewal ([2.2](#)).
- QUEST card information.
- Conclude with work registration, ABAWD work requirement, exemptions, and FSET program.

It is not necessary for applicant signatures to be witnessed by an agency representative for a FoodShare application to be considered complete.

2.1.3.3 Use of an Authorized Representative

7 CFR 273.2(n)

Representatives may be authorized to act on behalf of an applicant/member in the application process, obtaining FoodShare benefits, and/or using FoodShare benefits.

The local agency must inform applicants and prospective applicants who indicate that they may have difficulty completing the application process, that a non-food unit member may be designated as the authorized representative for application processing

purposes. The authorized representative designated for application processing purposes may also carry out food unit responsibilities during the certification period such as reporting changes in the food unit's circumstances.

A non-food unit member may be designated as an authorized representative for the food unit provided that the person is:

1. An adult who is sufficiently aware of relevant food unit circumstances, and
2. The authorized representative designation has been made in writing by the primary person, [spouse](#), or another responsible adult member of the food unit. The authorized representative designation may be made in ACCESS or by completing the form [F-10126](#).

Individuals who are disqualified for an Intentional Program Violation (IPV) ([3.14.1](#)) cannot serve as authorized representatives during the disqualification period, unless the agency has determined that no one else is available to serve as an authorized representative.

Residents of drug and alcohol treatment centers must apply and be certified for FoodShare eligibility through the use of an authorized representative.

When an authorized representative applies on behalf of a household, the identity of both the authorized representative and the primary person must be verified.

2.1.3.4 Signature

7 CFR 273.2 (b)(1)(iii)

The FoodShare applicant must provide a signature indicating that all the information provided is true and complete and that they understand their rights and responsibilities. The applicant can provide a signature via:

- An electronic signature on an ACCESS *RFA* or application;
- On the completed *CWW* generated Application Summary;
- On the FoodShare Wisconsin Application ([F-16019A](#) or [F-16019B](#)); or
- A telephonic signature.

A signature is required when a six month report form is submitted. A telephonic signature is not allowable for six month report forms.

It is not necessary for an applicant's written signature to be witnessed by an agency representative for a FoodShare application or renewal to be considered complete. A copy of the FoodShare applicant or member's case summary showing that a telephonic signature was collected will be stored in the electronic case file.

Any responsible adult FoodShare assistance group member or a group's authorized representative may sign the FoodShare application, renewal, or six month report form.

Example 1: Eve applies and sets the filing date for FoodShare. Jule, Eve's

roommate, who is also an adult, completes the intake interview and signs the case summary signature page. The FoodShare application is valid without Eve's signature on the case summary signature page because Jule is a responsible FoodShare assistance group member.

2.1.3.5 Telephone Interviews

7CFR273.2(e)(2)(i - ii)

Applicants/members who request a face-to-face interview must be granted one.

IM agencies should be conducting most of their interviews by telephone unless the applicant/member requests a face-to-face interview.

Telephone interviews do not exempt the applicant/member from verification requirements ([1.2.1](#) Verification Introduction).

2.1.3.6 Completing Telephone Interviews

A filing date must be set prior to conducting a telephone interview for all new FoodShare applicants ([2.1.1.4](#) Setting the Filing Date).

At the start of the telephone interview, make a verbal agreement with the applicant/member that he or she will complete the application or renewal ([2.2.1](#)) interview over the phone. Document the agreement in case comments.

Go over the application with the applicant/member using the intake or review driver flows in the *CWW* system. Access the data exchange information for the case in the *CWW* system and act on any information that you find. If there are discrepancies in the information, resolve those differences during the interview and/or verification process.

Refer to [2.1.3.2](#) for required interview topics.

2.1.3.7 Post Interview Process

After the interview, if verification is needed, mail out a verification checklist and send it to the applicant/member with instructions to provide the listed documents to the local agency within 10 calendar days or by the end of the application or renewal processing period, whichever is later.

If the food unit claims deductible expenses during the interview, the food unit must verify certain claimed deductions or the deduction will not be allowed ([1.2.4.5](#) Expense Verification). If verification of the deductions is not provided, do not allow the deduction and do not close the case.

Applications

At the end of the telephone interview, the agency must record the telephonic signature if they do not already have a written or electronic signature and then generate a copy of the case summary to be mailed to the applicant. The applicant must review the case summary and notify the agency within 10 calendar days if corrections are needed.

Renewals

At the end of the renewal interview, collect a telephonic signature. If the member refuses to provide a telephonic signature, instruct the member that you will be mailing the printed case summary to him or her for his or her signature. In this situation, the case summary needs to be signed and returned to the agency within 10 calendar days or by the end of the renewal processing period, whichever is later. The renewal is not complete until the signed case summary signature page is returned to the agency.

If the signed case summary is not returned within the ten day period, or by the end of the renewal processing period, whichever is later, the case needs to be closed for failure to return the FoodShare renewal signature.

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[View History](#)

2.1.4 EXPEDITED SERVICE AT APPLICATION

7 CFR 273.2(i)

[2.1.4.1 Eligibility for Expedited Services at Application](#)

[2.1.4.2 Verification Requirements for Expedited Services](#)

[2.1.4.3 Eligibility for Migrant Workers](#)

[2.1.4.4 Postponing the Interview for Expedited Benefits](#)

Expedited services are designed to ensure that if the FoodShare assistance group is eligible, expedited benefits are issued by the seventh day after the date of the application. The applicant must be allowed to complete the interview quickly and benefits must be issued timely. The two phases of expedited services are:

1. Priority Service – Screens all applications for potential eligibility for expedited issuance ([2.1.4.1](#)).
2. Expedited Issuance – Benefits must be issued by the seventh day after the application is filed. Benefits will be available on the member's QUEST card the same day the application is confirmed in *CWW*. An interview is still required prior to issuance unless postponed ([2.1.4.4](#)). All food units that apply after the 15th of the month and who are eligible for expedited issuance must receive the prorated initial allotment and next month's allotment by the seventh day after the application filing date.

Local agencies must provide priority service and expedited benefits to applicants who qualify for them.

When contact is made by phone, effort should be made to complete the FoodShare interview the same day whenever possible. If an interview cannot be completed that day, an interview appointment within the seven day time frame must be scheduled at the time of contact with the agency. If applicants cannot make the scheduled appointment, they lose their right to expedited benefits.

2.1.4.1 Eligibility for Expedited Services at Application

A person or food unit may be eligible for priority services and expedited issuance if:

1. Their total monthly gross income and available assets are less than the monthly Heating Standard Utility Allowance (HSUA) (See [8.1.3 Deductions](#)) and rent or mortgage; or
2. Their gross monthly income is less than \$150 and they have \$100 or less in available liquid assets; or
3. Their food unit includes a *migrant*/seasonal farm worker, who is also defined as "destitute" by meeting all of the following criteria:
 - a. Liquid assets are less than \$100; and
 - b. They don't expect to receive more than \$25 from a new source ten days after the date of application; and
 - c. Income prior to the day of application was from a terminated source, defined as:
 - i. Income received on a monthly or more frequent basis, shall be considered as coming from a terminated source if it will not be received again during the balance of the month of application or during the following month, or
 - ii. If income is normally received less often than monthly, (i.e. quarterly) it is considered terminated if the source has been terminated and no future payments are made.

Treatment of Income for Destitute Migrants:

1. Budget income from a terminated source which was received by the food unit between the first of the month of application and the application date, as income available for the food unit's needs in the month of application.
2. *disregard* any income from a new source expected during the month of application. This income may not be more than \$25.00 or must be received at least 10 days after the date of application.
3. After the application month, budget income from a new source for the months it will be received.

The home of a migrant worker in his or her state of *residency* is an exempt asset.

There is no eligibility for expedited services at renewal ([2.2.1](#)).

2.1.4.2 Verification Requirements for Expedited Services

A food unit eligible for expedited benefit issuance is only required to provide verification of identity of the primary applicant before the expedited benefits can be issued. Any documents, which reasonably establish the applicant's identity, must be accepted, and no requirement for a specific type of document, such as a birth certificate or photo ID, may be imposed. Even collateral contact is acceptable. If any other required verification is readily available, it must be used in the initial eligibility determination. Other outstanding required verification items must be requested, however do not delay the issuance of expedited benefits pending the receipt of other requested verification.

CARES will deny ongoing months with a failure code reason related to expedited verification requirements. If requested verification is not received, the FoodShare assistance group will remain closed due to failure to provide requested expedited verifications (codes 152, 153, or 154). In many instances a verification checklist is not sent, resulting in negative **QC** errors. To avoid possible errors confirm all FoodShare benefit months, including the second or third month "fail". Run eligibility a second time to place the case in pending status and to send a system generated verification request. Change the verification due date on the checklist to the 30th day of the application. Suppress any incorrect notices.

There is no limit to the number of times a FoodShare assistance group can be certified under expedited procedures as long as the FoodShare assistance group:

1. Submitted all the required verifications within the last 30 day application processing period following an expedited issuance, or
2. Was certified under normal processing standards since the last expedited certification.

2.1.4.3 Eligibility for Migrant Workers

According to Wis. Stat. § 103.90(5)(a), "A 'migrant worker' is any person who temporarily leaves a principal place of *residence* outside of this state and comes to this state for not more than 10 months in a year to accept seasonal employment in the planting, cultivating, raising, harvesting, handling, drying, packing, packaging, processing, freezing, grading, or storing of any agricultural or horticultural commodity in its unmanufactured state."

Migrants are eligible for priority service if:

1. Income is less than \$150 gross, **and**
2. Available assets are \$100 or less, **or**
3. They meet the definition of "destitute" by meeting all three of the following criteria:
 - a. Assets are \$100 or less, **and**
 - b. The only income received by the food unit prior to the application filing date was from a terminated source, **and**

- c. The food unit does not expect to receive more than \$25 from a new source within 10 calendar days from the date of application.

Treatment of Income for Destitute Migrants:

1. Budget income from a terminated source which was received by the food unit between the first of the month of application and the application date, as income available for the food unit's needs in the month of application.
2. Disregard any income from a new source expected during the month of application. This income may not be more than \$25.00 or must be received at least 10 days after the date of application.
3. After the application month, budget income from a new source for the months it will be received.

The home of a migrant worker in his or her state of residency is an exempt asset.

2.1.4.4 Postponing the Interview for Expedited Benefits

Applicants that meet criteria for expedited benefit through a **CWW** priority service screening eligibility determination may be allowed to postpone their interview under certain circumstances.

The interview may be postponed prior to benefit issuance only when the following conditions are met:

1. There is sufficient information to determine household composition and income; **and**
2. A food unit meets the criteria for expedited benefits as determined by **CWW** priority service screening; **and**
3. There are no individuals in the requesting food unit who have exhausted three months of time-limited FoodShare benefits and have no apparent exemption or non-ABAWD status; **and**
4. The agency has made two attempts, but was unable to contact the food unit to complete the interview; **or**
5. The agency determines that the interview cannot be scheduled in time to complete the expedited issuance process timely because the applicant did not provide a phone number and the agency is unable to obtain a phone number using other sources such as a phone book or previous case; **and**
6. The identity of the applicant can be verified.

Postponing the interview for expedited benefits may be applied only at the time of application and not at time of renewal. Postponing the application interview for expedited benefits does not exempt the applicant from the interview requirement or from completing the verification requirements for ongoing FoodShare benefits. The IM agency may treat the interview like other required verification and postpone the interview during the month of application. Once expedited benefits have been issued, however, a determination must be made for ongoing benefits within 30 days from the original filing date.

When an application is received for an individual who has no known or no apparent non-ABAWD status or exemption, and the worker has verified that the individual has received three time-limited FoodShare benefit months within a current 36-month clock, the FoodShare interview must be completed prior to issuing expedited FoodShare or denying the application; the interview cannot be postponed. If the IM worker is unable to verify that the applicant has exhausted their three time-limited FoodShare benefits on their current 36-month clock, and/or the applicant has reported a non-ABAWD status or an exemption from the work requirement, then expedited FoodShare may be issued and the interview may be postponed, as long as all other expedited criteria are met.

In all cases, the primary person's or authorized representative's identity must be verified through a collateral contact or readily available documentary evidence. Any documents which reasonably establish the primary person's identity must be accepted. If identity cannot be verified by the agency, the applicant does not qualify for a postponed interview and eligibility should be processed under normal FoodShare application processing guidelines, including the requirement to complete an interview prior to issuing benefits.

Information on the application and readily available verification, such as those submitted with the application or verified via data exchange should be used to determine eligibility. This may include items that can be verified upon receipt such as unemployment compensation and Social Security Administration records, and others such as new hire and state wage. If the food unit is not eligible for expedited benefits because unreported income was discovered through data exchange or for any other reason, FoodShare benefits should remain in pending status for completion of the interview.

If a phone number is not provided on the application the agency must attempt to obtain a phone number through other means, such as a previous CARES case or by using online tools. If the agency is able to contact the applicant but the applicant is unable to complete the interview during the phone call or within seven days, the interview can be postponed and expedited benefits issued, provided the above conditions for postponing the interview are met.

Note: The time frame for issuing expedited benefits has remained unchanged. Expedited benefits must be issued no later than seven calendar days from the date of application to avoid a Quality Control finding of untimely application processing.

Agencies do not have to wait until day seven to issue expedited benefits. The benefit may be issued when the IM worker has determined that the criteria for postponing the interview have been met.

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[View History](#)

2.1.5 CHANGES REPORTED DURING THE APPLICATION PROCESSING PERIOD

For applications, changes that occur between the filing date and the intake interview date must be acted on as part of the application. Changes that are reported after the interview, whether or not the case has been processed, must be acted on in the same manner as any other reported change.

If information is reported during the 30-day application processing period that would cause a FoodShare application to be denied for both the initial month and month two, and the denial is confirmed in **CARES**, a new application is required. In situations that result in denial of benefits for the initial month and certification for the month two, a new application would not be required.

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2.1.6 WITHDRAWING THE APPLICATION

7 CFR 273.2(c)(6)

The food unit may voluntarily withdraw the application at any time prior to the determination of eligibility. The IM agency must document in case comments the reason for the withdrawal, if any was stated by the food unit, and that contact was made with the food unit to confirm the withdrawal. The food unit must be advised of the right to reapply at any time subsequent to the withdrawal.

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2.1.7 CONFIRMING THE FOODSHARE ELIGIBILITY DETERMINATION IN CARES

Before confirming FoodShare eligibility, IM workers must ensure that the correct eligibility determination has been made. A check of individual eligibility details of the non-financial results and the budget details are essential. Some items to consider are:

1. Are verifications complete?
2. Are correct household members included in the food unit/FoodShare assistance group?

3. Is correct income used?
4. Are correct expenses and deductions allowed?
5. If benefits are denied, is the denial reason correct?

If so, confirm the FoodShare eligibility, document case comments in **CWW**, and process a referral to the **FSET** program, if applicable ([3.16.1](#)).

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2.2 RENEWALS

[View History](#)

2.2.1 CERTIFICATION PERIODS (RENEWALS)

7 CFR 273.14(a); 7 CFR 273.10(f)

[2.2.1.1 Six Month Reviews](#)

[2.2.1.2 Shortening a Certification Period](#)

[2.2.1.3 Completing a Renewal](#)

[2.2.1.4 Renewal Processing Time Frame](#)

[2.2.1.5 Eligibility Reviews for Other Programs and Their Impact on the FoodShare Certification Period](#)

The certification period for FoodShare eligibility for most food units is 12 months. Food units where all members are *homeless* and food units that include a *migrant* or seasonal farm worker have a six-month certification period. Members must complete an interview ([2.1.3](#)) and verify current household information in the last month of the certification period in order to be recertified and continue receiving FoodShare benefits. This is called a renewal.

FoodShare assistance groups with zero FoodShare benefits in their initial benefit month and a FoodShare allotment greater than zero in the second month, will be certified for 12 months beginning with the application month. If the benefit calculation is zero for the first two months, the case will be denied.

Example 1: Barry applied for FoodShare in August after he lost his job. In the FoodShare benefit determination for August and September, Barry received zero for August (due to excess net income) and \$98 in September. His certification period starts in August.

If FoodShare eligibility is denied in the month of application for any other reason, and eligibility begins the following month, the 12-month certification period begins in the month following the application month.

Example 2: Barry's VQT sanction ends August 8. He reapplies and re-requests FoodShare on August 25. He is ineligible in August and eligible for \$141 in September. Barry's 12-month certification period begins September 1.

2.2.1.1 Six Month Reviews

The certification period of the following food units is six months:

1. Food units that include a migrant of seasonal farm worker, or
2. Food units where all members are homeless, or
3. Where action is taken in **CARES** to indicate homelessness or a migrant food unit member prior to adverse action in month four of the certification period.

Note: Once a six-month certification period has been established the renewal will remain due in month six even if the homeless food unit secures housing, or the migrant worker leaves the food unit prior to the renewal month.

2.2.1.2 Shortening a Certification Period

7 CFR 273.10(f)(4) Waiver approval

Local agencies may not end a certification period earlier than the assigned termination date, unless the agency receives information that the food unit has become ineligible or the food unit does not cooperate in clarifying its circumstances. Loss of W-2 or a change in employment is not sufficient in and of itself to meet the criteria necessary for shortening certification periods.

A certification period may be shortened only in the circumstances described below:

- There is a new request for health care or child care (Wisconsin Shares),
OR
- A health care or child care renewal is due prior to the FoodShare renewal,
AND
- The food unit has stated they want to complete a FoodShare renewal at the same time they are applying for or recertifying health care or child care.

2.2.1.3 Completing a Renewal

7 CFR 273.14(b)

There are several steps to completing a renewal for FoodShare cases:

1. Notification must be sent to the member informing him or her that the certification period is ending and an interview ([2.1.3](#)) must be conducted if benefits are to continue.
2. An interview must be conducted and the member must be notified of verifications required to determine continued eligibility for the program.
3. Certain information gathered at the interview must be verified ([1.2.1](#)).

4. Resolve any identified *EPPs* ([Process Help](#) Chapter 70).
5. Benefit eligibility must be confirmed in *CWW* ([2.1.7](#)) in order for the review or renewal to be considered complete.

2.2.1.4 Renewal Processing Time Frame

The 30-day processing timeframe for a renewal is not the same as it is for applications. The 30-day renewal processing time frame refers to the renewal month. In other words, a renewal must be processed and confirmed by the last day of the renewal month, with two exceptions:

1. There is an agency-caused delay such as allowing 10 days for verification, or
2. The IM agency is unable to complete the interview by the last day of the renewal month and delays the interview into the following month.

When there is an agency-caused delay, the IM worker should document in CARES the reason for the late renewal and set the FoodShare program request date for the first of the month so that there is no pro-ration of benefits.

The FoodShare case will close effective the last day of the renewal month at adverse action of the renewal month if renewal is not completed, including confirmation. The local agency and the FoodShare member have until the end of the renewal month to complete renewal.

FoodShare that closes at renewal may reopen without requiring a new application under specific conditions. Allow FoodShare to reopen at renewal if the requested action to resolve ineligibility is completed in the month following the end of the current certification period, as long as the interview was timely.

- An interview must be completed within the renewal month of the current certification period to be considered timely. If the food unit fails to complete a timely interview, FoodShare will close effective the last day of the renewal month at adverse action and a new FoodShare application is required.
- If FoodShare closes for lack of verification after a timely renewal and the food unit takes the required action within the calendar month following the certification period, the agency shall reopen FoodShare and prorate benefits from the date the food unit took the required action. The new certification period will begin the month after the month the renewal was due.

Note: The food unit must be allowed 10 days to provide verifications. If the verification due date is in the month following the renewal month, IM workers should identify whether the closed FoodShare case may be reopened or a new application is needed ([Process Help](#) 3.13.4).

2.2.1 Certification Periods (Renewals)

- If FoodShare closes for lack of signature after a timely renewal and the food unit returns the signature page within the calendar month following the certification period, the agency shall reopen FoodShare and prorate benefits from the date the food unit returns the signature page. The new certification period will begin the month after the month the renewal was due.
- If FoodShare closes due to agency delay in scheduling the interview or the food unit is not available to complete the interview until the end of the renewal month, benefits shall be restored back to the first of the month to ensure ongoing benefits, as long as verification is timely.

Example 3: Holly completes a timely FoodShare renewal on July 12, but does not have verification of her wages from Marigold's. Holly's IM worker, Jeff, issues a request for verification of earned income. Holly fails to provide verification and her case closes effective July 31. On August 5, Holly provides verification of her wages. Jeff changes the date on the FoodShare Request page to August 5 and issues prorated benefits from August 5 through August 31. Holly's previous FoodShare certification period ended on July 31. Her new certification period runs from August 5 to July 31.

If Holly had responded timely to Jeff's request for verification and submitted her verification in July, but Jeff did not process the verification until August, benefits would have been issued back to August 1, due to Jeff's late processing.

Example 4: Tom's FoodShare renewal is due by June 30. He completes his interview on June 27 and has verification due July 7. Tom provides the requested verification on July 5. Although Tom's case closed effective June 30 due to lack of completed renew/verification, his FoodShare case is reopened with a certification period beginning July 1. Benefits are not prorated and he is not required to submit a new application.

Example 5: Ruby calls her IM worker on August 21 to schedule a FoodShare renewal but the only appointment available is not until September 4. Ruby completes her renewal but does not have verification of her wages from Sunny's Craft House. Ruby's IM worker, Kim, issues a request for verification of earned income with a verification due date of September 14. Ruby submits the necessary verification on September 10. Because Ruby submitted her verification timely (within 10 days) and because the agency was unable to complete the interview in August, Kim issues benefits to Ruby back to September 1.

Had Ruby submitted the necessary verification after September 14, Kim would not issue benefits back to the first but only to the date verification was submitted.

Example 6: Tricia's FoodShare assistance group has a FoodShare certification period ending June 30. Tricia completed a telephone interview on June 17. The signature page is not returned timely and FoodShare close June 30. Tricia returns the signature page on July 14. FoodShare reopens without requiring a new FoodShare application. Benefits are prorated from July 14, with a new certification period from July 14 to June 30.

2.2.1.5 Eligibility Reviews for Other Programs and Their Impact on the FoodShare Certification Period

Renewals completed for other assistance programs do not automatically count as a renewal for FoodShare and will not change the FoodShare certification period. A FoodShare certification period may be changed to align with that of another program only if the member has stated his or her consent to complete a FoodShare renewal in order to align its FoodShare certification period with the certification period of another program.

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3 NONFINANCIAL REQUIREMENTS

[View History](#)

3.1.1 GENERAL NON-FINANCIAL ELIGIBILITY

Non-financial eligibility for FoodShare is determined by gathering certain information about food unit members. Some of these non-financial factors impact FoodShare eligibility for an entire FoodShare assistance group. Other factors only impact FoodShare eligibility for an individual applicant.

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[View History](#)

3.2.1 RESIDENCE

[3.2.1.1 Joint or Shared Physical Custody of Children](#)

[3.2.1.2 Temporary Absence](#)

[3.2.1.2.1 Military Absence](#)

[3.2.1.2.2 Incarceration and Huber Law Prisoners](#)

[3.2.1.3 Homelessness](#)

[3.2.1.3.1 Shelters for the Homeless](#)

[3.2.1.3.2 Transitional Housing](#)

[3.2.1.3.3 Temporary Housing](#)

[3.2.1.4 Institution](#)

[3.2.1.5 Group Living Arrangement](#)

[3.2.1.5.1 Residential Care Apartment Complexes \(RCAC\)](#)

[3.2.1.5.2 Adult Family Home \(AFH\)](#)

[3.2.1.5.3 Drug and Alcohol Treatment Centers](#)

[3.2.1.5.4 Shelters for Battered Persons and Children](#)

[3.2.1.5.5 Section 202 and 236 Housing](#)

7 *CFR* 273.3

Applicants for FoodShare benefits must reside in, or be temporarily absent from Wisconsin.

Guidelines for determining *residency* (see [1.2.3.5](#))

1. *Residence* does not mean the legal place of residence or principal home.
2. Residence does not mean the intent to live permanently in Wisconsin or the county.
3. A person who is in Wisconsin or in a county solely for vacation purposes is not a resident of the county.

4. Do not require someone to reside in Wisconsin or within a county for any minimum length of time.
5. Residence does not mean a permanent dwelling or a fixed mailing *address*.

3.2.1.1 Joint or Shared Physical Custody of Children

Children are included in the food unit where they reside when they are under the care and control of a *parent* or other caretaker in that food unit. There may be situations when the residence of a *child* is not easily determined. There are many methods that can be used to determine the child's residence. If the residence of a child is questionable, court documents can be used to determine if there is a primary caretaker designated. It may be a situation of joint custody and a 50-50 custody split. If one parent is not designated as primary caretaker, the parents can be asked to decide. Individuals can only be included in one FoodShare assistance group, but may be included in more than one food unit.

If the parents cannot or will not decide, compare the parents' activities and responsibilities against the following list and determine which one is exercising more control than the other:

1. If the parents reside in different school districts, where does the child attend school? Who selected the school?
2. Who assists the child with homework or school-related tasks?
3. Are there tuition costs for the child's education? If so, who pays those costs?
4. If the child is enrolled in day care, who arranges for and pays these costs?
5. Who is responsible for taking the child to and from school and/or day care?
6. Which parent is listed as the contact for emergencies at the child's school or day care provider?
7. Who arranges medical and dental care for the child? Who selects the physician and dentist?
8. Who maintains the child's medical records?
9. Who initiates decisions regarding the child's future?
10. Who responds to medical or law enforcement emergencies involving the child?
11. Who spends money on food or clothing for the child when the child visits the absent parent?
12. Who disciplines the child?
13. Who plays with the child and arranges for entertainment?
14. Are more of the child's toys, clothing, etc. kept at one parent's home than the other's?

Only one parent can receive FoodShare for a child. If you still cannot determine which food group the child should be in, the child should be included in the food group of the parent who first applies. Use the best information available to make your decision, and document in case comments the basis of your determination. If you still cannot determine which food unit the child should be in, call the CARES Call Center.

Example 1: Holly lives with her mother in Gleason. She attends school in her

mother's district and her mother maintains a home for her. She visits her father on the weekends. Her father is receiving FoodShare. Holly is considered as "residing" with her mother. Her father cannot include her in his food unit.

Example 2: Fran (mother) has legal custody of Clarence. However, Clarence resides with grandmother, and occasionally visits his mother. Clarence is considered "residing" with grandmother and would be included in grandmother's food unit if she applied. Clarence would not be included in his mother's food unit since he is residing with his grandmother.

Example 3: Mary and Rich have joint/shared custody of Ryan. Ryan spends days with Rich because Mary works days. Ryan spends nights with Mary because Rich works nights. However, Mary maintains a home for Ryan, he attends school in his mother's district, and she provides for most of his needs. Ryan is considered "residing" with Mary, and can receive FoodShare with her. Ryan would not be included in Rich's food unit since Ryan is residing with Mary.

Example 4: Pam and Paul have 50/50 shared custody of Emily. Neither is designated as primary caretaker. They do not agree on who exercises more control over Emily. They both have Emily for three and one half days per week. They live in the same school district, both are contacted in an emergency, etc. Paul comes in to the agency to apply for FoodShare first. Emily would be included in Paul's food unit.

3.2.1.2 Temporary Absence

Include in the food unit an individual temporarily absent from the food unit when the expected absence is no longer than two full consecutive calendar months past the month of departure. Some examples are absence due to illness or hospitalization, employment, and visits.

To be considered temporarily absent, one must meet ALL of the following conditions:

1. The individual must have resided with the food unit immediately before the absence,
2. The individual intends to return to the home, and the food unit must maintain the home for him or her,
3. If the absent person is a child, the caregiver of the absent child is responsible for the child's care and control when the child returns to the home, and
4. If the absent person is an *adult*, the adult must still be responsible for care and control of the child during their absence.

Attending school - Persons temporarily absent to attend a school is not a reason to remain included in the food unit.

Hospitalized Newborn - Infants who remain hospitalized for an extended period of time should be added to the food unit, even if the absence is greater than two consecutive months.

Example 5: Karley resides with and receives FoodShare with her mother. On June 6, it is reported that Karley is going to stay with her father in Madison for the summer. She will be returning to her mother's home on August 15.

The month of departure is June. Since she is only absent for one calendar month (July), she is considered temporarily absent from her mother's household. She will not be out of the mother's home longer than two full consecutive months.

Example 6: Karley's mother reports Karley will be leaving on May 24 to spend the summer with her father. Karley is expected to return to her mother's residence on August 1. Karley will be absent from her mother's home for two consecutive calendar months (June and July) she would be considered absent from the home. Karley should be removed from her mother's food unit effective July 1 and added back to the food unit when she returns. Karley will be eligible for benefits the first full benefit month after she has been reported back in the home.

3.2.1.2.1 Military Absence

Someone absent solely for full-time service in the military is not considered temporarily absent, and is not in the FoodShare assistance group. Income from this individual may be included in the FoodShare assistance group.

If military income is direct-deposited into an account jointly owned by the person in the military and a member of the FoodShare assistance group, it will be counted as unearned income, with the exception of combat pay. Military allotments paid to a spouse or dependent of the person in the military are budgeted as unearned income as long as the *spouse* or dependent is a member of the FoodShare assistance group. This includes cash sent directly from the person in the military to a FoodShare assistance group member.

Please see [4.3.4.2 Disregard](#) Unearned Income for the treatment of combat pay.

3.2.1.2.2 Incarceration and Huber Law Prisoners

An individual who is incarcerated for more than 30 days is ineligible for FoodShare unless they meet all the Huber criteria listed below.

Huber law prisoners who are released from confinement for the purpose of caring for members of their family and who purchase and prepare meals with their family members can still be included in the food unit and may be eligible for FoodShare benefits. The prisoner must meet all financial and non-financial eligibility requirements.

A Huber Law prisoner is caring for his or her family if he or she meets all the following criteria:

1. Intends to return home after his or her confinement.
2. Continues to exercise care and control of his or her children.
3. Continues to plan for the support and care of his or her children.
4. Is released to attend to the needs of his or her family and to purchase or prepare meals with his or her family.

A Huber law prisoner released under a bracelet monitoring program who continues to live in the home is eligible for FoodShare.

The temporary absence policy ([3.2.1.2](#)) time limit does not apply for Huber and those monitored under the bracelet program

Example 7: A mother with three school age children has been sentenced to serve 90 days in a Huber facility. She is released at 8:00 A.M. to her place of employment and must report directly back to the Huber facility by 4:30 P.M. This mother is absent from the household and is not eligible for FoodShare benefits.

Example 8: A father applies for FoodShare for himself and his two school age children. He is sentenced to serve 90 days in a Huber facility. Under the terms of his sentence he is released each morning at 6:00 A.M. to report to his job; at 3:00 P.M. he is to leave his job and report to his home to care for his children, including fixing and eating dinner with them. He must report back to the Huber facility by 8:00 P.M. This father is temporarily absent from the FoodShare household and is eligible for FoodShare benefits.

Example 9: A father is on a bracelet monitoring program under the Huber program and living with his wife and child at home and working full time. Some of his wages are intercepted by the county jail to offset incarceration and monitoring costs. Treat as a FoodShare assistance group of three and budget the gross amount of his wages.

3.2.1.3 Homelessness

7 CFR 271.2

A *homeless* individual is someone who lacks a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

1. A supervised shelter designed to provide temporary accommodations (such as a welfare hotel or congregate shelter),
2. A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized,
3. A temporary accommodation for not more than 90 days in the residence of another individual, or
4. A place not designed for, or ordinarily used as a regular sleeping accommodation for human beings (a hallway, bus station, a lobby, or similar places)."

Note: A homeless youth is someone, other than a foster child who is under 18 years of age, is temporarily seeking accommodation in the residence of another individual other than his or her parent. A homeless youth under “parental control” must apply as part of the same food unit as the adult. A homeless youth under parental control is defined as someone who is financially or otherwise dependent on a member of the household, unless state law defines such a person as an adult.

While some homeless youth may fall under the parental control of a non-parent household member, other homeless youth may not. Anyone who, under FoodShare policy, is considered an individual living alone, should be afforded the opportunity to apply as a one-person household.

Example 10: Jack is a 16 year old homeless youth who is working part-time and is not financially dependent on the adult with whom he is temporarily residing with. In this case, Jack can apply for FoodShare as a one-person household.

3.2.1.3.1 Shelters for the Homeless

Determine eligibility for a *homeless* shelter resident as if he or she is living independently. Homeless shelters include transitional and temporary housing.

3.2.1.3.2 Transitional Housing

Transitional housing helps homeless people move to independent living in a reasonable amount of time. It includes housing designed to serve deinstitutionalized homeless individuals, homeless people with mental disabilities, and homeless families with children.

3.2.1.3.3 Temporary Housing

Temporary housing includes housing commonly known as a "rooming house".

The homeless person may use FoodShare benefits to purchase prepared meals from authorized shelters, some restaurants, and grocery stores.

A shelter authorized to accept FoodShare benefits may not also be the person's authorized representative.

3.2.1.4 Institution

7 CFR 273.1(b)(7)

An institution is any establishment that provides care and/or services above and beyond meals and lodging.

A resident of an institution is anyone who receives most of his or her meals as part of the institution's normal operation.

Residents of institutions are ineligible for FoodShare.

Some facilities appear to be institutions but are not. Persons living in the following licensed or authorized facilities may be eligible for FoodShare:

1. Shelters for the homeless,
2. Group living arrangements,
3. Drug and alcohol addiction treatment centers,
4. Shelters for battered women and children,
5. Section 202, 221(d)(3), and 236 housing, and all residents of any federally subsidized housing for the elderly.

3.2.1.5 Group Living Arrangement

A group living arrangement is a public or private nonprofit residential setting serving no more than 16 residents. It must be certified by the appropriate state or local agencies. An example may be a community-based residential facility.

Any blind or disabled ([3.8.1](#)) resident of a group living arrangement may be eligible for FoodShare.

The resident may purchase meals from the group living arrangement when *FNS* authorizes the facility to accept and redeem FoodShare.

Determine the resident's eligibility as a one-person food unit ([3.3.1](#)) when the facility applies as an authorized representative. If the resident applies on his or her own behalf, determine the group size according to food unit rules.

Residents of a group living arrangement who move out before the 16th of the month should have half of their FoodShare allotment for the month returned by the authorized representative.

3.2.1.5.1 Residential Care Apartment Complexes (RCAC)

An RCAC is a place where five or more adults reside that consists of independent apartments, each of which has an individual lockable entrance and exit, a kitchen, including a stove, an individual bathroom, sleeping, and living areas. Residents of RCAC facilities that offer optional meal services, separately from the cost of care can be treated as single apartment dwelling residents and be non-financially eligible for FoodShare.

Residents of these facilities that do not have these services separate from the cost of care may be eligible if the resident meets the eligibility criteria for a group living arrangement ([3.2.1.5](#)). Residents are ineligible for FoodShare if they choose a meal

plan provided by the facility that provides a majority, more than 50%, of their daily meals.

Every tenant has a signed “Service Agreement” with the RCAC provider which lists the services the tenant is to receive from the facility (including meals) and the fees charged for those services. Charges for meals should be separately identified in this agreement. Both the resident and the facility have copies of the service agreement (contract). However, most RCAC’s do not have a separate lease for individual tenants.

The name and address of the facility on the service agreement can also be used to verify that the residence is an RCAC by checking against DHS' [Residential Care Apartment Complex Directory](#).

The IM worker must determine and verify the meal situation for each RCAC resident who requests FoodShare.

To correctly process a case in **CWW** - Current Demographics Page

- If the individual’s meals are purchased from the RCAC separately from their cost of care, code the individual as <01> on the **CWW** Current Demographics page.
- If the individual’s meals are included in his or her cost of care, code the individual as <25>, (ineligible unless blind or disabled) on the **CWW** Current Demographics page.

Example 11: Maria lives in an RCAC. Her service agreement shows she has no meals included in her cost of care, but she does have the option to select from various meal plans. She has opted to prepare all of her meals herself and not purchase any meal plan from the RCAC. She would be non-financially eligible for FoodShare. The CWW Current Demographics page would be coded as 01.

Example 12: John also lives in the same RCAC. He has opted to purchase one of the dinner meal plans from the RCAC. Because the meal plan is purchased separately from his cost of care and the plan provides less than 50% of his daily meals, he would also be non-financially eligible for FoodShare. The CWW Current Demographics page would be coded as 01.

Example 13: Francis lives in an RCAC that does not offer the option to buy meal plans separately from the cost of care. Her meals are included in the monthly cost of care. She does not meet the non-financial eligibility criteria for FoodShare unless she is blind or disabled.

3.2.1.5.2 Adult Family Home (AFH)

An AFH is a type of group living arrangement where care and maintenance above the level of room and board (but not including nursing care) are provided in a private residence by the care provider whose primary domicile is this residence for three or four adults, or more adults if all of the adults are siblings, each of whom has a developmental disability.

The individual in an AFH who is receiving foster care or paying board may be in their own FoodShare assistance group if they wish.

3.2.1.5.3 Drug and Alcohol Treatment Centers

Private, nonprofit centers providing treatment for drug and alcohol addiction are not institutions.

Publicly operated mental health centers certified as drug and alcohol addiction treatment and rehabilitation programs are not institutions. Department of Health Services, Division of Quality Assurance, Bureau of Health Services certifies these facilities. State certification of these centers should not be confused with state licensing of drug and alcohol treatment centers. Such licensing is not required for FoodShare eligibility.

Furthermore, in order for residents of a drug and alcohol treatment center to be certified to receive FoodShare the center must be:

1. Tax exempt and certified by the state as either receiving or eligible to receive or operating to further the purposes of part B of title XIX (Medicaid). This may include faith-based treatment centers.

and

2. Authorized as a retailer by *FNS*.

To determine which substance abuse and mental health centers are listed as State Title XIX, see the list of facilities for [substance abuse](#) and for [mental health](#).

An authorized representative must apply for these residents. The center employs and appoints the authorized representative. The center may choose a representative to be the FoodShare payee or an authorized buyer. He or she will receive a Wisconsin QUEST card to access FoodShare benefits on behalf of the resident. The center may also choose the resident to be the sole QUEST cardholder as the primary person of the case. The QUEST cardholder may purchase food for meals, or meals prepared or served by the center, or both.

Determine the eligibility of a resident of a drug and alcohol addiction treatment center as a one-person FoodShare assistance group, unless the resident is a parent whose child(ren) resides with them at the center. Include any child(ren) residing with their

parent(s) at the center, whether or not the center provides the majority of the child(ren)'s meals, when determining eligibility.

Note: Faith-based treatment and rehabilitation facilities are not required by law or *FNS* regulation to allow residents to opt-out of religious programming or activities in order to participate in the FoodShare program.

3.2.1.5.4 Shelters for Battered Persons and Children

A shelter for battered persons and their children is a public or private nonprofit residential facility serving battered persons and their children.

Shelters for battered persons and their children may act as the authorized representative for FoodShare applicants and members. Document the basis that the facility is eligible to participate. Any shelter for battered persons and their children authorized by *FNS* to redeem FoodShare benefits at wholesale stores is eligible.

A shelter resident may be a member of an eligible FoodShare assistance group before entering the shelter. Although in most cases an individual may not be a member of two FoodShare assistance groups in the same month, a resident of a shelter for battered persons and their children may be eligible for dual benefits as a separate FoodShare assistance group while living at the shelter. This occurs when the earlier food unit contains the person who allegedly abused the resident.

They are food units separate from:

1. Other residents of the shelter and
2. Any food unit to which they belonged at the time they entered the shelter.

Review the former FoodShare assistance group's eligibility and allotment. Re-test the former group and include the change in FoodShare assistance group composition.

3.2.1.5.5 Section 202 and 236 Housing

Exempt residents of any federally subsidized housing for the elderly and disabled from the "residents of institutions" policy.

HUD funds some housing units primarily for the aged and disabled. This housing is called Section 202, Section 221(d)(3), and Section 236 housing. These housing units provide meals if the resident cannot get them without help.

Residents of 202/236 housing may still be eligible for FoodShare benefits. If you are unsure if a residence is an institution or 202/236 housing, contact the Wisconsin Housing and Economic Development Authority at 608-266-7884 to verify.

[View History](#)

3.3.1 FOOD UNIT/FOODSHARE ASSISTANCE GROUP/RELATIONSHIPS

[3.3.1.1 HUG \(Households, Units, Groups\)](#)

[3.3.1.2 Relationship Definitions](#)

[3.3.1.3 Relationship Rules](#)

[3.3.1.4 Relationship Rules Exception](#)

7 *CFR* 273.1(a)

3.3.1.1 HUG (Households, Units, Groups)

To determine who is non-financially eligible for FoodShare, you must start with all household members.

H - Households

Households consist of all persons living in, or temporarily absent from, the same *Residence*. It is important to enter all household members into *CWW* to ensure that the correct eligibility determination is made in *CARES*.

Note: Federal regulation cited in this handbook section, 7 CFR 273.1(a), and other portions of federal law also use the term “household.” Federal law and the Wisconsin FoodShare handbook do not apply the same definition to this term. The federal use of “household” is more comparable to the Wisconsin FoodShare term “food unit.”

U - Food Units

One or more persons who live in the same household and purchase and prepare food together for home consumption, or individuals who must be included in the same food unit because of relationship rules ([3.3.1.3](#)). This group is tested for eligibility together. There are some exceptions for boarders, foster persons, and certain elderly and disabled individuals.

Examples of a food unit include:

- A person living alone.
- A group of unrelated persons living together who purchase and prepare meals together for home consumption.
- A 21 year old individual living with his or her parents, regardless of whether he or she purchases and prepares food for home consumption separately from his or her parents.

Purchase and prepare:

3.3.1 Food Unit/Foodshare assistance Group/Relationships

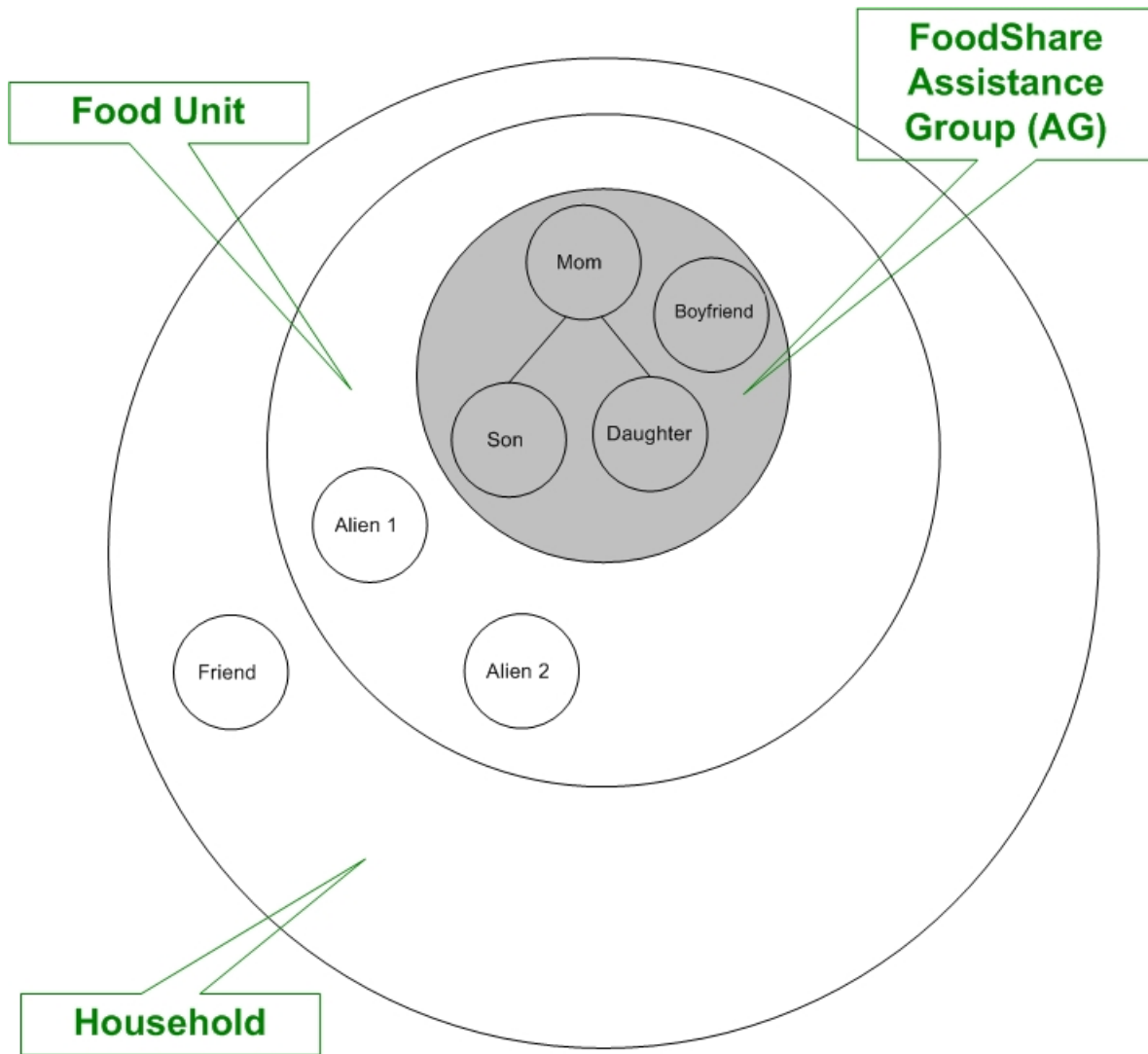
People living together who:

- Share in the cost of purchasing food.
- Share in the preparation of food.
- Eat together.

Each person does not have to shop, provide money, prepare food, and eat together. Any of those activities is sufficient to include a member in purchasing and preparing food with the food unit.

G - FoodShare Assistance Groups

The FoodShare assistance group is formed by persons who are in the same food unit and pass all the individual non-financial criteria. The FoodShare assistance group receives the benefit.



3.3.1.2 Relationship Definitions

Adult: A person who is 18 years old or older.

Child: A person's biological, step, or adopted son or daughter, regardless of age. If a child is adopted, the adoption severs the biological tie to the parent.

Minor: Someone less than 18 years old who is under the parental control of an adult food unit member.

Parent: A person's biological, step, or adoptive mother or father regardless of age. Parenthood does not have to be verified. If a child is adopted, the adoption severs the biological tie to the parent.

Parental Control: An adult providing parental control acts as a parent would toward the minor child. A minor child is considered under parental control if the child is financially or otherwise dependent on a member of the household. Foster care providers do not meet the parental control definition.

Sibling: A brother, sister, half-brother, half-sister, stepbrother, stepsister, and siblings related through adoption.

Spouse: A person recognized by Wisconsin law as another person's legal husband, wife, or same sex partner through marriage. Wisconsin does not recognize common law marriage.

Stepparent: The spouse of a person who is the biological parent of a child. A stepparent who is divorced from a biological parent is no longer considered a stepparent.

3.3.1.3 Relationship Rules

7 CFR 273.1(b)(1)

The following individuals must be included in the same food unit, even if they do not purchase and prepare meals together:

1. Spouses,
2. Biological (unless no longer a parent because of adoption), adoptive, or stepparents and their children under the age of 22, **and**
3. Adults and minor children under the age of 18 years over whom they are exercising parental control.

Example 1: Tim and Jane are unmarried and live together. They claim separate food unit status. Jane comes into the office and reports she had a baby. If Tim is the father, he is in the food unit with Jane and the baby.

If Tim is not the father, determine if he is participating in parental decisions that affect the baby. If yes, include Tim in Jane's and the baby's food unit since he is providing parental control. If no, Tim is a separate food unit.

3.4.1 Dual Membership and Duplicate Benefits

Example 2: Sue divorced Bob, but they continue to live together. Since they state that they do not purchase and prepare meals together, they are allowed to be separate food units.

If Sue and Bob had children in common, relationship rules would require that they be in the same food unit, even if they were no longer married and claimed to purchase and prepare separately.

Under certain specific circumstances, individuals and their spouses who are elderly and disabled may be a separate food unit, even if they are living and eating with others. See [5.2.1](#) for rules related to FoodShare-E eligibility.

Note: The provision that allows *EBD* household members who cannot purchase and prepare their meals separately does not take precedence over the basic household composition provision which requires children under 22 years of age who reside with their EBD parent to be included in the same food unit.

Example 3: Stella, who is over 60 years old and disabled, allows her 19 year old daughter Gracie to move in with her. Although Stella and Gracie claim to purchase and prepare separately, they must be included in the same food unit because elderly persons may not be separated from their children who are under 22 years of age.

3.3.1.4 Relationship Rules Exception

A minor, living with his or her own spouse or child and with an adult who is not the minor's parent, is not considered under the control of the adult and can be a separate food unit if they purchase and prepare food separately.

Example 4: For example, a 17-year old is living with an aunt. The 17-year old has a one-year old son. If the 17-year old and her son purchase and prepare food separately from the aunt, they can be their own food unit.

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[View History](#)

3.4.1 DUAL MEMBERSHIP AND DUPLICATE BENEFITS

*7 CFR 273.3(a)
FNS Memo 12/18/14*

A person cannot be a member of more than one FoodShare assistance group in the same month except residents of shelters for battered persons and their children. A person can be in more than one food unit but only receive benefits in one FoodShare assistance group at a time, unless in a battered persons shelter.

Persons moving to Wisconsin from another state are not eligible to receive duplicate FoodShare benefits. States typically issue benefits on either a calendar or fiscal month. A fiscal month cycle provides benefits from a date in one month to a corresponding date in the next month. Some states, such as California (Fresno), Massachusetts, Nevada, and South Dakota, issue on a fiscal month cycle. Illinois issues benefits by calendar month (first day through the last day of the month) and by fiscal month (16th through 15th). Wisconsin issues on a calendar month cycle.

Example: In early October, a FoodShare assistance group moves to Wisconsin from Illinois. Prior to the move, Illinois issued the group's FoodShare on a fiscal month cycle. It was an allotment for September 16 through October 15. The FoodShare assistance group applies in Wisconsin on October 10. The last day the group is considered an Illinois FoodShare group is October 15. If determined eligible, the first day the group would receive FoodShare from Wisconsin would be October 16.

IM workers should contact the other state to verify the **SNAP** (FoodShare in Wisconsin) benefit end date. See the [Directory for Out of State Public Assistance Agencies](#) for other state contacts.

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[View History](#)

3.5.1 BOARDERS

[3.5.1.1 Boarders Introduction](#)

[3.5.1.2 Reasonable Compensation](#)

7 **CFR** 273.1(b)(3)

3.5.1.1 Boarders Introduction

A boarder is anyone who resides with a household and:

1. Pays reasonable compensation to the household for lodging and meals and,
2. Is in the food unit from which he or she purchases his or her meals and,
3. The food unit's primary person asks that he or she be included.

3.6.1 Foster Care Recipients

A boarder food unit includes all the persons in a household who are included in the same payment for meals. This applies whether each person actually makes part of the payment or one or more persons make the payment on their behalf. Include spouses and *minor* children of a boarder in the same boarder food unit, even if they claim they are making separate payments. Boarders are not eligible to participate as their own food unit.

Children and parents living together are not boarders if the *child* or *parent* is a paying board to the other.

A *spouse* who lives with a spouse and pays board to his or her spouse is not a boarder.

A *sibling* who lives with a sibling and pays board to that sibling is not a boarder.

3.5.1.2 Reasonable Compensation

Reasonable compensation means the person pays enough money for meals to qualify as a boarder.

Compute reasonable compensation based on the number of meals a day the person pays for. A boarder food unit who pays for more than two meals a day pays reasonable compensation when they pay an amount that equals or exceeds the allotment maximum ([8.1.2](#)). The allotment maximum is based on the size of the boarder group.

A boarder food unit who pays for two meals or less a day pays reasonable compensation when they pay an amount that equals or exceeds two thirds of the allotment maximum for the size of the boarder group.

Persons paying less than reasonable compensation are not boarders. Count income and assets of people who are paying less than reasonable compensation. Do not count a boarder's income and assets unless he or she is a food unit member.

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3.6.1 FOSTER CARE RECIPIENTS

7 *CFR* 273.1(b)(4)

[3.6.1.1 Foster Care Recipients Introduction](#)

[3.6.1.2 Foster Care Payment](#)

3.6.1.1 Foster Care Recipients Introduction

A foster person is a person for whom foster care is being paid. They are placed in the homes of relatives or other individuals by a federal, state, or local government foster care program. This determination is regardless of the funding source or the age of the foster person. Include a foster care recipient in the food unit only when the primary person asks that the foster care recipient be included. The foster care recipient may belong only to the food unit he or she receives the foster care and meals from.

A foster person cannot participate in FoodShare independently of the provider of the foster care services.

3.6.1.2 Foster Care Payment

A foster care provider is the person providing foster care for a foster person. Money paid for the care of a foster care recipient is income of the recipient, not the provider.

Count the foster care recipient's income only if the foster care recipient is in the food unit.

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[View History](#)

3.7.1 ADOPTION ASSISTANCE

The *child* included in the adoption assistance payment must always be included in the food unit.

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3.8.1 ELDERLY, BLIND, OR DISABLED (EBD) INDIVIDUALS

[3.8.1.1 EBD Introduction](#)

[3.8.1.2 Disabled Veterans](#)

3.8.1.1 EBD Introduction

7 CFR 271.2

An elderly individual is a food unit member age 60 or older.

A disabled individual is a food unit member who meets one or more of the following criteria:

- Receives disability or blindness benefits from any of these programs: **SSA**, **MA**, **SSI** or SSI related MA, Railroad Retirement Board (RRB).
- Receives a **VA** payment and meets one of the criteria listed in [3.8.1.2](#).
- Receives a disability retirement benefit from a governmental agency because of a disability considered permanent under section 221(i) of the Social Security Act (Social Security Act requirements of disabled).
 - This includes the disability payment paid out from governmental employee trust fund (ETF) accounts for instance; Wisconsin ETF Disability Payments. However, it does not include income continuation payments which may be paid by the same ETF accounts. This level of disability is usually short term and not permanent.

If an individual is certified as disabled or blind by one of the above agencies, but has not received the initial benefit, consider him or her disabled.

An individual receiving retirement benefits from the **RRB** and found eligible for Medicare by the **RRB** is disabled. An individual who receives general assistance and meets the SSI program disability criteria is also disabled.

Use the elderly and disabled definitions to determine food unit membership; restaurant eligibility; student status; and medical, shelter, and utility deductions.

Under certain specific circumstances an individual and his or her spouse who are both elderly and/or disabled may be a separate food unit even if they are living and eating with others. See [5.2.1](#) for rules related to FoodShare-E eligibility.

3.8.1.2 Disabled Veterans

The definition of a disabled veteran is:

1. A veteran with a disability rated by the **VA** as total or paid as total by the VA, or
2. A veteran or surviving **spouse** of a veteran considered by the VA to be in need of regular aid and attendance or permanently housebound, or
3. A surviving **child** of a veteran and considered by the VA to be permanently incapable of self-support, or
4. A surviving spouse or a surviving child of a veteran and considered by the VA to be entitled to compensation for a service-connected death or pension benefits for a non-service connected death and has a disability considered permanent by **SSA**.

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3.9.1 ATTENDANT/HOUSEKEEPER

A live-in attendant/housekeeper may participate as a separate food unit from other household members if the live-in attendant/housekeeper meets both of the following conditions:

1. Live-in attendant/housekeeper lives in the home of the person for whom the live-in attendant/housekeeper provides care or similar services, and
2. Live-in attendant/housekeeper is not the parent, child, sibling or spouse of the person for whom he or she provides care or any other member of the care recipient's food unit [mandatory inclusion rules apply [\(3.3.1.2\)](#)].

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3.10.1 STRIKERS

7 *CFR* 273.1(e)

[3.10.1.1 Striker Exceptions](#)

[3.10.1.2 Termination of a Strike](#)

[3.10.1.3 Eligibility on the Day Before a Strike](#)

[3.10.1.4 Pre-Strike Income](#)

A striker is anyone involved in either of the following, whether or not he or she is in a collective bargaining unit:

1. A strike or concerted stoppage of work by employees against their employer. This includes a stoppage because a collective bargaining agreement expired.
2. A concerted slowdown or interruption of operations by employees against their employer.

A person is a striker whether or not he or she personally voted for the strike. Strikers are not exempt from work registration requirements.

3.10.1.1 Striker Exceptions

None of the following is a striker:

1. An employee affected by a lockout.
2. Persons exempt from the FoodShare work requirements except those exempt solely because they are employed. For example, a caretaker is not considered a striker if caring for a *child* under six years old (see [3.16.1](#)).
3. Any employee of the federal government, the state, or any political subdivision engaged in a work related strike. He or she has voluntarily quit his or her job without good cause.

3.10.1.2 Termination of a Strike

3.11.1 Food Distribution Program (Tribal Commodities)

A strike has ended when:

1. The employer notifies its striking employees that it has hired or is hiring replacement workers.
2. All or some of the employees cannot return to the same job they held with that employer before the strike.
3. The employees return to work with the same employer. If a striker accepts other employment while on strike without resigning from the struck company, striker provisions continue to apply.

3.10.1.3 Eligibility on the Day before a Strike

To be eligible, a food unit with a striker must have been eligible on the day before the strike began.

If the case was open for FoodShare on that date, it remains eligible if it continues to meet all criteria.

If the case was not open on that date, determine if the food unit could have been eligible on the day before the strike. Assume the application date is the day before the strike began and the strike never occurred. Use the Striker Evaluation Form ([F-16023](#)). Deny an application if a member of the food unit would have been ineligible the day before the strike.

3.10.1.4 Pre-Strike Income

Determine the food unit's eligibility and allotment. Add the greatest of the two following incomes to the income of the other food unit members:

1. The striker's income on the day before the strike (pre-strike income), or
2. The striker's income on the date of the current determination (current income).

Determine the striker's pre-strike income by adding:

1. All unearned income he or she would normally expect to have received that month, and
2. All earned income he or she would have received in a month using the wage rate he or she was earning on that date. Allow the 20% earned income deduction.

Determine the striker's current income as you would any other person's regular income.

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3.11.1 FOOD DISTRIBUTION PROGRAM (TRIBAL COMMODITIES)

[3.11.1.1 Choice of Programs](#)

[3.11.1.2 Preventing Dual Participation](#)

[3.11.1.3 Switching Programs](#)

[3.11.1.4 FoodShare Discontinuance Date](#)

[3.11.1.5 Denial due to FoodShare Intentional Program Violation \(IPV\)](#)

The Great Lakes Inter-Tribal Council and the Menominee Tribe administer the Food Distribution program. Eleven tribes distribute commodities.

A person may receive commodities from one of these tribes if he or she is eligible and:

1. Is a Native American living in one of the counties served by that tribe , or
2. Lives within the geographical boundary of the tribe's reservation. This applies whether or not he or she is a Native American.

3.11.1.1 Choice of Programs

Eligible persons must choose either the FoodShare or commodities program. They can not participate in both. They may change their program choice, but must tell their current agency of the desired change.

Deny FoodShare to any food unit when a member receives commodities from a Food Distribution program.

3.11.1.2 Preventing Dual Participation

Inform applicants that participation in both programs is prohibited.

Do not verify if an applicant tells you he or she did not receive commodities in the current or preceding month, and will not receive them next month, unless the report is questionable.

If the report is questionable or he or she received commodities in one of those months:

1. Determine the month(s) he or she received, or will receive commodities.
2. Determine which tribe issued the commodities.
3. Contact the tribal Food Distribution Program staff to determine when the commodities were or will be received.
4. Inform the tribal staff of the FoodShare request, the likely disposition of the application, and first FoodShare issuance date.
5. Remind the FoodShare applicant that it is illegal to receive both FoodShare and Food Distribution benefits in the same month.
6. Document your performance of these five steps in the case record.

3.11.1.3 Switching Programs

When someone switches between programs, do not issue the initial benefit until the other program's benefits stop.

3.12.1 Citizenship and Immigration Status

Deny FoodShare if an applicant has already received commodities in the application month. If it is too late to stop commodities participation for the month after application, deny the FoodShare application.

3.11.1.4 FoodShare Discontinuance Date

When a FoodShare member wishes to begin participating in the Food Distribution Program:

1. Before adverse action, close the FoodShare assistance group's eligibility at the end of the month.
2. After adverse action, close the FoodShare assistance group's eligibility at the end of the next month.

3.11.1.5 Denial due to FoodShare Intentional Program Violations (IPV)

Deny Food Distribution benefits to persons ineligible for FoodShare because of an *IPV*. *DHS* sends a list of IPV disqualified persons to the Great Lakes Inter-Tribal Council and the Menominee Tribe monthly.

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3.12.1 CITIZENSHIP AND IMMIGRATION STATUS

7 *CFR* 273.4

[3.12.1.1 Qualified Immigrant or Immigration Status](#)

[Chart 1- Determining whether a non-citizen is eligible for FoodShare](#)

[Chart 2- Decoding the admission or adjustment codes from INS](#)

[3.12.1.2 Eligibility Pending Documentation of Immigration Status](#)

[3.12.1.3 Work Quarter Eligibility](#)

[3.12.1.4 Military Connection Eligibility](#)

[3.12.1.5 Battered Immigrant Eligibility](#)

[3.12.1.6 State Option FoodShare Program \(SOFSP\)](#)

[3.12.1.7 Ineligible and Illegal Immigrants](#)

[3.12.1.8 Encouraging Application](#)

[3.12.1.9 Gaining Citizenship](#)

[3.12.1.10 Derivative Citizenship](#)

[3.12.1.11 Iraqis and Afghans with Special Immigrant Status](#)

The following individuals are eligible for FoodShare as U.S. citizens.

- U.S. citizens,
- Non-citizen nationals (people born in American Samoa or Swain's Island),

- American Indians born in Canada,
- Members (born outside the U.S.) of Indian tribes under Section 450b(e) of the Indian Self-Determination and Education Assistance Act,
- Members of Hmong or Highland Laotian tribes that helped the U.S. military during the Vietnam era prior to May 8, 1975, and who are legally living in the U.S., their spouses or surviving spouses and dependent children, including full-time students under the age of 22.

To meet the citizenship or qualifying immigrant requirement for FoodShare, a person must be one of the following:

1. A citizen of the U.S. which is defined as a person:
 - a. Who was born in the U.S. The U.S. includes: the continental U.S., Alaska, Hawaii, Puerto Rico, U.S. Virgin Islands, and Northern Mariana Islands, including Guam, or
 - b. Who is a naturalized citizen of the U.S.
2. A person born outside of the U.S. to, or adopted by, at least one U.S. citizen. They are sometimes referred to as a "derivative citizen."
3. A non-citizen with a qualifying immigration status.

Note: Effective 10/1/10, all Puerto Rican birth certificates issued before 07/1/10 are invalid. Ongoing members of IM programs from Puerto Rico do not need to submit new, valid birth certificates. However, all Puerto Rican birth certificates submitted by applicants must have been issued on or after 07/1/10.

3.12.1.1 Qualified Immigrant or Immigration Status

1. Use [Chart 1](#) to determine if a non-citizen is eligible for FoodShare.
2. Use [Chart 2](#) for decoding the admission or adjustment codes from [INS](#) . Refer also to the INS SAVE Manual M300 (revised 09-00) and the Travel and Identity Documents guide.

Note: If there is more than one admission or status code for the immigrant/non-citizen, always use the least restrictive code per 8 *CFR* 212.5(h). A best practice is to ask each year about immigrant/citizenship status changes since the code(s) may change over time.

CHART 1

Federal SNAP
Eligible as U.S. Citizens
<ul style="list-style-type: none"> • U.S. citizens, • Non-citizen nationals (People born in American Samoa or Swain's Island), • American Indians born in Canada, • Members (born outside the U.S.) of Indian tribes under Section 450b(e) of the Indian Self-Determination and Education Assistance Act,

3.12.1 Citizenship and Immigration Status

<ul style="list-style-type: none"> Members of Hmong or Highland Laotian tribes that helped the U.S. military during the Vietnam era prior to May 8, 1975, and who are legally living in the U.S., their spouses or surviving spouses and dependent children, including a full-time students under the age of 22. 	
Immigrant Status Code	Eligible if:
01-Lawfully admitted for permanent (LPR) residence	<ul style="list-style-type: none"> Meets work quarters, or Meets military requirement, or Receives disability benefit, or Under age 18, or Has lived in the U.S. as a qualified immigrant for five years from the date of entry, or A legal resident on August 22, 1996, and born before August 22, 1931.
02-Permanent Resident under color of law (PRUCOL)	Ineligible
03-Conditional Entrant Lawfully present under Section 203(a)(7)	<ul style="list-style-type: none"> Meets work quarters, or Meets military requirement, or Receives disability benefit, or Under age 18, or Born before August 22, 1931, or Has lived in the U.S. as a qualified immigrant for five years from the date of entry, or A legal resident on August 22, 1996, and born before August 22, 1931.
04-Refugee Lawfully present under Section 207	Eligible
05-Asylee Lawfully present under Section 208	Eligible
06-Parolee Lawfully present under Section 212(d)(5)	<ul style="list-style-type: none"> Meets work quarters, or Meets military requirement, or Receives disability benefit, or Under age 18, or Born before August 22, 1931, or Has lived in the U.S. as a qualified immigrant for five years from the date of entry, or A legal resident on August 22, 1996, and born before August 22, 1931.
07-IRCA	Ineligible
08-Work Authorization: Temp.	Ineligible

09-Undocumented Immigrant	Ineligible
10-Illegal Immigrant	Ineligible
11-Cuban/Haitian Entrant (Section 501(e) of the Refugee Education Act of 1980)	Eligible
12-Considered a permanent resident by INS	Ineligible
13-Special AG worker under Section 210(A)	Ineligible
14-Additional Special AG worker under Section 210A	Ineligible
15-Withheld Deportation-Section 243(h) or 241(b)(3)	Eligible
16-Battered Immigrant Code the battered immigrant adult or child or parent with the broadest immigrant eligibility category that applies to that person (e.g., a battered refugee immigrant, code as refugee). Document in case comments that the person is a battered immigrant and therefore exempt from sponsor deeming. Do not list the sponsor in CWW . Do not list any of the sponsor's income and assets.	Ineligible unless: <ul style="list-style-type: none"> • Meets work quarter requirement, or • Meets military requirement, or • Receives disability benefit, or • Has lived in the U.S. as a qualified immigrant for five years from the date of entry, or • Under age 18, or • Was a legal resident on August 22, 1996, and born before August 22, 1931.
17- Amerasians	Eligible
18 - Native Americans born abroad	Eligible
19 - Trafficking Victims - Including the minor children, spouses, and in some cases the parents and siblings of victims of severe trafficking (Treat as refugee under section 207 of the INA), the spouse, child, parent or unmarried minor sibling of a victim of a severe form of trafficking in persons under 21 years of age, or the spouse or child older than 21 who has received a derivative T visa, to the same extent as an immigrant who is admitted to the U.S. as a refugee under Section 207 of the INA.	Eligible

2) Use chart 2 for decoding the admission or adjustment codes from INS. Refer also to the INS SAVE Manual M300 (revised 09-00) and the Travel and Identity Documents guide.

CHART 2

Immigration Status	CARES Code	I-94 Codes	I-551 Codes	Other
Cuban/Haitian Entrant	11	212(d)(5) or paroled or C/H Entrant and from Cuba or Haiti or I-551 stamp and CU6 or CH6	CU6 or CU7, CH6	Unexpired and expired I-551 stamp in foreign passport
Deportation Withheld	15	106 or 243(h) or 241(b)(3)	NA	INS Form I-688B annotated 274a.12(a)(10); INS Form I-766, annotated A10; order from an immigration judge showing deportation withheld under 243(h) or removal withheld under 241(b)(3)
Battered Immigrant	16	AR1, AR6, C20 through C29, CF1, CF2, CR1, CR6, CR7, CX1, CX2, CX3, CX6, CX7, CX8, F20 through F29, FX1, FX2, FX3, FX6, FX7, FX8, IF1, IF2, IR1, IR2, IR3, IR4, IR6, IR7, IR8, IR9, IW1, IW2, IW6, IW7, MR6, MR7, P21, P22, P23, P26, P27, P28; IB3, IB6, IB7, IB8, B11, B12, B16, B17, B20 through B29,	AR1, AR6, C20 through C29, CF1, CF2, CR1, CR6, CR7, CX1, CX2, CX3, CX6, CX7, CX8, F20 through F29, FX1, FX2, FX3, FX6, FX7, FX8, IF1, IF2, IR1, IR2, IR3, IR4, IR6, IR7, IR8, IR9, IW1, IW2, IW6, IW7, MR6, MR7, P21, P22, P23, P26, P27, P28; IB3, IB6, IB7, IB8, B11, B12, B16, B17, B20	I-551 stamp in foreign passport with one of the preceding codes; or IMPORTANT: Applicant has filed an I-130 or I-360 petition as a battered immigrant. INS Form - 797 is documentation of approval of an I-130 application.

		B31, B32, B33, B36, B37, B37, B38, BX1, BX2, BX3, BX6, BX7, BX8 some Z13	through B29, B31, B32, B33, B36, B37, B38, BX1, BX2, BX3, BX6, BX7, BX8 some Z13	
Amerasian	17	AM1, AM2, or AM3	AM 6, AM7, or AM8	I-551 stamp in foreign passport with one of the preceding codes
Foreign born Native American	18	S13	S13	I-551 stamp in foreign passport with S13 tribal membership card from federally recognized tribe.
Trafficking Victim	19	T-2, T-3, T-4 and T-5 known as "Derivative T" visas are not currently available in the SAVE system. Call the toll-free trafficking verification line at 1-866-401-5510 to notify ORR of the benefits for which the individual has applied.		Health and Human Service Office of Refugee Resettlement Certification Letter

See also the [Travel and Identity Documents Guide](#) for explanations of the types of INS authorization documents.

3.12.1.2 Eligibility Pending Documentation of Immigration Status

CFR 273.2(f)(1)(ii)(B)

A non-citizen is ineligible until acceptable documentation of qualifying immigration status is provided unless:

1. The IM agency has submitted a document provided by a household to *INS* for verification. Pending such verification, the IM agency cannot delay, deny, reduce or terminate the individual's eligibility for benefits on the basis of the individual's immigration status, or
2. The applicant or the IM agency has requested qualifying quarter information from [SSA](#) . SSA has responded that the individual has fewer than 40 quarters but is investigating to determine if more quarters can be determined. The IM agency must certify the individual pending the results for up to six months from the date of the original determination of insufficient quarters, or
3. The applicant or IM agency has requested verification from a federal agency for verification of the immigrant's status. The IM agency must certify the individual pending the results up to six months from the date of the original determination of insufficient quarters.

3.12.1.3 Work Quarter Eligibility

Legal permanent resident non-citizens who have worked for 40 qualifying quarters are eligible. There is no time limit on this category of eligibility.

A qualifying quarter includes:

1. One worked by a parent of a non-citizen before the immigrant reached his or her eighteenth birthday, including those quarters worked before the non-citizen was born;
2. One worked by a spouse of a non-citizen during their marriage if the non-citizen remains married to the spouse or the spouse is deceased.

Each person in the applying food unit is considered an applicant. Therefore, each spouse can claim the quarters of the other spouse, and the children can claim the quarters worked by their parents. An individual can only earn four quarters per year. If both spouses worked in the same quarter, this would count as one quarter – an individual cannot earn two quarters in the same quarter.

Count both qualifying quarters of work covered by Title II of the Social Security Act, and qualifying quarters of work not covered by Title II. Beginning 1/1/97, a quarter in which the immigrant received federal means-tested assistance is not counted as a qualifying quarter.

3.12.1.3.1 Disclosure of Work Quarter Information

The local agency may request information from the SSA about work history for non-covered employment as well as covered employment.

If you are unable to determine work quarters through the SSA automated system, you may accept the applicant's sworn statement of sufficient work, pending verification,

provided the applicant has been in the country sufficient time to earn the quarters (totaling the time from the employed applicant, parent, and/or spouse).

The SSA is authorized to release work quarter information on non-citizens, a non-citizen's parents or spouse to a county/tribal agency (not applicant) for the purpose of determining eligibility, even if the parent or spouse cannot be located or refuses to sign a release statement.

You may also find work quarter information through CARES data exchange screens. To verify non-citizen's work quarters information you can request it in CARES mainframe on Tran: DXQR. It will be available on Tran: DXQC 48 hours later.

3.12.1.4 Military Connection Eligibility

Qualified non-citizens who are honorably discharged veterans and who fulfill minimum active duty service requirements in the U.S. Armed Forces, or who are the spouse, unmarried dependent child, or a surviving spouse of such a veteran or active duty personnel who has not remarried are eligible for FoodShare benefits with no time limit exception.

A veteran is a person who was honorably discharged after:

1. Serving for 24 months in the U.S. armed forces, or
2. Serving for the period for which the person was called to active duty in the U.S. armed forces, or
3. Serving in the Philippine Commonwealth Army or as a Philippine Scout during WW II, as described in title 107, 38 U.S.C.

An unmarried surviving spouse of a veteran or active duty person is defined as:

1. A spouse who was married to the deceased veteran for at least one year, or
2. A spouse who was married to the deceased veteran before the end of a 15 year time span following the end of the period of military service, or
3. A spouse who was married for any period to the deceased veteran and a child was born of the marriage or was born before the marriage.
4. Has not remarried since the marriage to the deceased veteran.

3.12.1.5 Battered Immigrant Eligibility

An immigrant who is the spouse or dependent unmarried child of a U.S. citizen or immigrant who has been battered or subjected to extreme cruelty under the following criteria is eligible:

1. Immigrants (adults or children) who have been battered or subjected to extreme cruelty in the U.S. by a spouse or a parent, or by a member of the household of the spouse or parent who has failed to intervene to stop the battery or extreme cruelty, but only if there is a substantial connection between such battery or cruelty and the need for benefits.

3.12.1 Citizenship and Immigration Status

2. Immigrants whose child or children have been battered or subjected to extreme cruelty in the U.S. by a spouse or parent of the immigrant, or a member of the immigrant's household, and the other parent failed to intervene in the battery or extreme cruelty, and the immigrant did not actively participate in the battery or cruelty, but only if there is a substantial connection between such battery or cruelty and the need for benefits.
3. Immigrant children whose parent has been battered or subjected to extreme cruelty in the U.S. by the parent's spouse, or by a member of the spouse's family residing in the same household as the victim parent if the spouse consents to or accepts such battery or cruelty, but only if there is a substantial connection between the battery or extreme cruelty and the need for the public benefit sought.

Do not apply this section if the person responsible for the battery or extreme cruelty continues to reside in the same household or food unit as the person subjected to the battery or cruelty.

3.12.1.6 State Option FoodShare Program (SOFSP)

With the passage of the 2011-13 Wisconsin state budget the state funded SOFSP ended effective July 1, 2011. Federally eligible members who live with a previously eligible SOFSP member will remain eligible for federal benefits. There is no change to the federal eligibility.

3.12.1.7 Ineligible and Illegal Immigrants

Ineligible immigrant include:

- Visitors and tourists.
- Diplomats and others in foreign service.
- Persons illegally in the U.S.
- Students with student visas.
- Immigrants who refuse to provide the documentation required to verify their qualifying immigration status.

Failure to verify qualifying immigration status means the person is ineligible for FoodShare, not necessarily in the country illegally.

3.12.1.8 Encouraging Application

In order to encourage potentially eligible people to apply for FoodShare, it should be made clear that we will not require those food unit members who are not requesting eligibility to furnish an **SSN** or immigration documentation.

Local agencies are prohibited from contacting **INS** regarding the immigrant status of a food unit member who is not requesting eligibility unless the IM worker "knows" that the immigrant is in violation of INS law. "Knowing" is defined as having a determination of

the INS or the Executive Office of Immigration Review, such as a Final Order of Deportation. Although an agency may have contact with, or be aware of, the presence of "undocumented" immigrants, it may be unusual for a local agency to actually "know" that an immigrant is not lawfully present in the U.S.

3.12.1.9 Gaining Citizenship

At application and renewal, applicant non-citizens immigrants must be asked if they have become citizens.

3.12.1.10 Derivative Citizenship

A child born outside of the U.S. automatically becomes a citizen of the U.S. when ALL of the following conditions have been fulfilled:

1. At least one parent of the child is a citizen of the U.S., whether by birth or naturalization,
2. The child is under the age of eighteen years,
3. The child has entered the U.S. as a legal immigrant, **and**
4. The child is residing in the U.S. in the legal AND physical custody of the citizen parent pursuant to a lawful admission for permanent residence.

A child who was under the age of 18 on or after February 27, 2001 and who meets all of the above requirements acquired citizenship automatically on February 27, 2001. This rule is based on the Child Citizenship Act of 2000.

3.12.1.11 Iraqis and Afghans with Special Immigrant Status

Beginning December 19, 2009, special immigrants from Iraq or Afghanistan are to be treated like they are refugees when determining their eligibility for FoodShare, Medicaid, or BadgerCare Plus as long as they have this special immigration status. This policy applies to these immigrants regardless of when they received this status.

Class of Admission Code	Description	CARES Immigrant Registration Status Code
SI1	Nationals of Iraq or Afghanistan serving as interpreters with the U.S. Armed Forces	Code 04
SI2	Spouses of an SI1	Code 04
SI3	Children of an SI1	Code 04
SI6	Nationals of Iraq or	Code 04

3.13.1 Social Security Number (SSN) Requirements

	Afghanistan serving as interpreters with the U.S. Armed Forces	
SI7	Spouses of an SI6	Code 04
SI8	Children of an SI1	Code 04
SQ1	Special Immigrant Iraqi Employee (Principal)	Code 04
SQ2	Spouse of SQ1	Code 04
SQ3	Children of SQ1	Code 04
SQ6	Special Immigrant Iraqi Employee (Principal Adjusting Status in the United States)	Code 04
SQ7	Spouse of SQ6	Code 04
SQ8	Children of an SQ6	Code 04

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3.13.1 SOCIAL SECURITY NUMBER (SSN) REQUIREMENTS

[3.13.1.1 Failure to Comply](#)

[3.13.1.2 SSN Application for Newborns](#)

[3.13.1.3 Good Cause](#)

[3.13.1.4 Religious Exception](#)

7 CFR 273.6

A food unit participating in or applying for FoodShare must provide the SSN of each food unit member who is requesting benefits. Individuals without an SSN must apply for one before certification. If anyone has more than one number, all numbers must be provided.

Explain that failure to provide an SSN will disqualify the person without the SSN. Allow the SSN applicant to participate on a month by month basis, while awaiting receipt of the SSN. He or she must provide the SSN or proof of application within 30 days of the FoodShare application.

A completed Form [SS-5](#) is proof of application for an SSN for a newborn food unit member.

3.13.1.1 Failure to Comply

Providing an SSN is voluntary, but if an individual applying for FoodShare refuses to provide an SSN, they will be denied and their income will be deemed to the group. Any food unit member who does not provide an SSN is ineligible. The only exception is if there is good cause for not providing it. Disqualify only the person without the SSN, not the entire food unit.

3.13.1.2 SSN Application for Newborns

For a newborn member, verify the SSN or that an application for an SSN has been made. Do not deny benefits pending issuance of an SSN if you have documented an SSN application has been made. A *parent* of a newborn may begin an SSN application while still in the hospital.

A completed form [SS-5](#) is proof of application for an SSN for a newborn food unit member.

If the applicant/member is unable to provide proof of application for an SSN for a newborn, the member must provide the SSN or proof of application at the next renewal. If the member is unable to provide an SSN or proof of application for an SSN at the next renewal, review good cause exceptions. Deny FoodShare benefits for the baby if the food unit refuses to provide an SSN for the baby without good cause.

3.13.1.3 Good Cause

Use information from the food unit member, the SSA, your agency, and any other sources to determine good cause. If the member has applied for an SSN, he or she satisfies the requirement.

Apply good cause if the applicant/member makes every effort to supply the information timely.

If he or she can show good cause, allow participation on a month by month basis.

3.13.1.4 Religious Exception

If a FoodShare applicant refuses to provide an SSN for him or herself and/or any other household member based on a sincere religious objection, allow him or her and all otherwise eligible members of the food unit to receive FoodShare.

You may check with the SSA or query whether an SSN already exists for the person, and use any existing SSN for verification and matching purposes without further notice to the food unit member.

3.14.1 INTENTIONAL PROGRAM VIOLATION (IPV) DISQUALIFICATION

[3.14.1.1 Period of Ineligibility](#)

[3.14.1.2 IPV Disqualification for Receipt of SNAP Benefits from Multiple States](#)

7 CFR 273.16

A person commits an Intentional Program Violation (*IPV*) when he or she intentionally:

1. Makes a false or misleading statement or misrepresents, conceals, or withholds facts; including their identity or place of residence; or
2. Commits any act that constitutes a violation of the Food Stamp Act, the Food Stamp Program Regulations, or any Wisconsin statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing, or trafficking of FoodShare benefits or QUEST cards.

Trafficking includes the following:

- Using FoodShare benefits to purchase food that has a container deposit for the sole purpose of returning the container for a cash refund.
- Reselling food purchased with FoodShare benefits for cash or other consideration.
- Purchasing, for cash or other consideration, food that was previously purchased from a supplier using FoodShare benefits.
- Directly or indirectly buying, selling, or stealing EBT cards, card numbers or personal identification numbers (PINs), for cash or other items.
- The exchanging of firearms, ammunition, explosives, or controlled substances, as defined in section 802 of title 21, United States Code, for SNAP benefits;
- Unauthorized person(s) knowingly obtaining, possessing, transferring, or using FoodShare program benefits.

An IPV may be determined by the following means:

1. Federal, state, or local court order,
2. Administrative Disqualification Hearing (ADH) decision,
3. Pre-charge or pretrial diversion agreement initiated by a local district attorney and signed by the FoodShare member in accordance with federal requirements, or
4. Waiver of the right to an ADH signed by the FoodShare member in accordance with federal requirements.

3.14.1.1 Period of Ineligibility

The following sanction periods are for IPV's committed after December 1, 1996. Anyone determined to have committed an IPV is ineligible for:

1. One year for the first IPV.
2. Two years for:
 - a. The second IPV or,
 - b. The first IPV for which an individual is convicted in a federal, state, or local court to have used or received benefits in a transaction involving the sale of drugs.
3. Permanently for:
 - a. A third IPV, **or**
 - b. A first IPV resulting from the conviction of the individual by a federal, state, or local court for having used or received benefits in a transaction involving the sale of firearms, ammunition, or explosives, **or**
 - c. A first IPV resulting from a conviction of an individual in a federal, state, or local court involving trafficking benefits for an aggregate amount of \$500 or more, **or**
 - d. A second IPV for which an individual is convicted in a federal, state, or local court to have used or received benefits in a transaction involving the sale of drugs.

Only the person determined to have committed an IPV is ineligible. Other members of the FoodShare assistance group may continue to be eligible.

The individual must be notified in writing once it is determined that he or she is to be disqualified. Begin the disqualification period no later than the second month following the date the individual receives written notice of the disqualification. The disqualification period must continue uninterrupted until completed regardless of the eligibility of the disqualified individual's food unit.

If a court finds an individual guilty of an IPV, the term of the disqualification period and the disqualification begin date must comply with the court order. If the court order does not specify a disqualification period, the disqualification period for the IPV is in accordance with the schedule above. If the court order does not specify the date for the disqualification period to begin, the disqualification period should begin in accordance with the provisions in the paragraph above, but within 45 days of the court decision.

For all IPV disqualifications, begin the disqualification period in the first possible payment month regardless of whether the person becomes a non-participant member or remains in the food unit. Do not pend the disqualification period until the disqualified individual reapplies.

If a non-participating person with an IPV disqualification does reapply for FoodShare, apply any remaining periods of ineligibility. If the ineligibility period has expired when the person reapplies, he or she may be eligible to receive benefits.

Example 1: John is notified of his one-year IPV disqualification in January, effective February 1. He doesn't request FoodShare for the first nine months of his period of ineligibility. If John reapplies for FoodShare in November and is determined otherwise eligible, he will still be ineligible for FoodShare benefits for the three remaining months of his disqualification period. If he waits until February to reapply,

the disqualification period will have expired and he may be determined eligible for FoodShare.

A pending administrative disqualification hearing or prosecution does not affect the person's eligibility. Do not take any adverse action in the matter before the case is resolved. Continue to act on other changes in income and circumstances.

Do not impose a disqualification period retroactively on an individual who has committed an IPV, but who had not been disqualified timely. Disqualify a food unit member only to the extent that the disqualification period has not elapsed.

Example 2: An IM worker determines in December that a person should have been disqualified in June for one year. The IM worker should disqualify the person for the remaining five months.

All IPV's determined for an individual prior to April 3, 1983 shall be counted as one IPV for determining a current disqualification period.

3.14.1.2 IPV Disqualification for Receipt of SNAP Benefits from Multiple States

A person who makes a false or misleading statement, or misrepresents, conceals or withholds facts with respect to their identity or place of *residence* in order to simultaneously receive Wisconsin FoodShare benefits and SNAP benefits from any other state shall be ineligible for a period of 10 years.

Before imposing the 10-year disqualification period:

- A finding of fraud must be made by a state agency, or
- A conviction of fraud must be entered by a state or federal court.

The Administrative Disqualification Hearing (ADH) process, including the offer to sign the ADH waiver ([F-16039](#)), may be used for imposing this penalty.

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3.15.1 STUDENT ELIGIBILITY

7 CFR 273.5

An institution of higher education requires a high school diploma or equivalency certificate for enrollment, or is a regular college or university degree program that does not require a high school degree as a condition of enrollment. It does not include any

adult basic education program. Higher education institution examples are business, vocational, trade and technical schools, colleges, and universities.

Anyone, age 18-49, enrolled half-time or more, in an institution of higher education is ineligible, unless he or she meets one of the following criteria:

1. Employed at least an average of 20 hours a week with earnings equal to at least the federal minimum wage.
 - a. Weekly earnings must be at least $\$7.25 \times 20 \text{ hours} = \145 per week. Use student monthly hours to calculate a weekly average. Students whose employment hours fluctuate from week to week may be determined eligible for FoodShare, provided they maintain an average of 20 hours per week at minimum wage or a total of 80 hours per month;
2. Self-employed at least an average of 20 hours a week with self-employment earnings (after self-employment expenses are subtracted) equivalent to at least the federal minimum wage.
 - a. Weekly earnings must be at least $\$7.25 \times 20 \text{ hours} = \145 per week. Use student monthly hours to calculate a weekly average. Students whose employment hours fluctuate from week to week may be determined eligible for FoodShare, provided they maintain an average of 20 hours per week at minimum wage or a total of 80 hours per month;
3. Employed and self-employed for a combined average of 20 hours a week with total earnings equivalent to at least the federal minimum wage.
 - a. Weekly earnings must be at least $\$7.25 \times 20 \text{ hours} = \145 per week. Earnings are based on self-employment income (after self-employment expenses are subtracted) plus gross income from other employment. Use student monthly hours to calculate a weekly average. Students whose employment hours fluctuate from week to week may be determined eligible for FoodShare, provided they maintain an average of 20 hours per week at minimum wage or a total of 80 hours per month;
4. Participating in a federal or state work study program.
 - a. Continue the exemption until the end of the month in which the school term ends, or the student refuses to do his or her assigned work. A student who has stopped working during the school year because the work study funding has run out would continue to be classified as an eligible student until the end of the school term.
 - b. The exemption does not cover school breaks of longer than one month, unless the student is participating in work study during the break.
2. Responsible for the care of a dependent household member under age six. If two people exercising parental control are in the food unit, allow student status to only one person per child.
3. Responsible for the care of a dependent household member who has reached age six but is under age 12 if the agency determines adequate child care is unavailable. If two people exercising parental control are in the food unit, allow student status to only one person per child.
4. Is a single parent enrolled in an institution of higher education on a full-time basis (as determined by the institution) and is exercising care and control of a dependent food unit member under the age of 12. To apply this provision there

must be only one biological or adoptive parent, or *stepparent* in the same food unit as the child. If there is no biological or adoptive parent or stepparent living with the child, another full-time student living with the child may qualify as an eligible student under this provision if the student has parental control of the child and does not live with his or her *spouse*.

5. Receiving a Tribal *TANF* cash payment, *W-2* cash payment, or working in a W-2 Trial Job. Assigned to or placed in an institution of higher learning by *WIA*.
6. Enrolled in a W-2 employment position or other TANF funded program under Title IV of the Social Security Act.
7. Physically or mentally unfit for gainful employment. Verify the claim if it's not clear. Receipt of temporary or permanent disability benefits, a statement from a physician, or certified psychologist is appropriate verification.
8. Participating in an on-the-job training program. This exemption applies only during the period of time the person is being trained by the employer.
9. Is assigned to or placed in an institution of higher education through or in compliance with the requirements of *FSET*.
10. Is enrolled in an educational program that is designed to be completed in two years or less and obtaining certification or a diploma from the program will lead to employment that is in demand.

Example 1: During an interview for FoodShare, Jack, reports that he is a full-time student at Northern Technical College for phlebotomy and plans to graduate in the next year. Since phlebotomists are in occupational demand, Jack is confident he will be able to obtain a job in his field upon graduation. Based on common knowledge that there is a shortage of trained medical professionals, the IM worker agrees. Jack is single and does not meet any of the other exemptions. If all other FoodShare eligibility requirements are met, Jack would be an eligible student based on the new exemption reason.

Example 2: When Carla applies for FoodShare, she reports that she is enrolled half-time at Madison Area Technical College and is taking cooking with herbs, pottery and jewelry making. Carla indicates that she does not know if she will attend next semester because she is unsure about her career goals. No other student exemptions are met. Carla would not be an eligible student, because the direction of Carla's potential career is unclear. Carla is encouraged to apply again if she disenrolls from school or if she pursues courses that will lead to a job in demand.

Example 3: When Bill applies for FoodShare, he reports that he is enrolled in a four-year nursing program, but only has two years to graduate. Bill would not be an eligible student since the program was designed by the college to be completed in four years.

Note: A student who lives in campus housing and purchases a meal plan that provides more than half of their meals is not eligible for FoodShare, even if the student does not eat meals from the meal plan. If the meal plan is available, but the student does not purchase it, then they may be eligible for FoodShare.

A student is enrolled as of the first day of the school term through normal scheduled class periods, vacation, and recess unless he or she:

1. Graduates.
2. Is suspended, expelled, or drops out.
3. Doesn't intend to register for the next school term (excluding summer school).

FoodShare Employment and Training

Students enrolled in higher education at the time of FoodShare application and then found eligible for FoodShare, may request to be referred to FSET to participate in activities other than education. Activities may include job search, work experience or self-employment. FSET cannot provide reimbursement for expenses related to education for students who self-initiate enrollment in higher education.

ABAWDs

If an **ABAWD** is determined to be a FoodShare eligible student based on the criteria in this section, the ABAWD is an exempt ABAWD.

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3.16.1 WORK REQUIREMENTS

[3.16.1.1 Background](#)

[3.16.1.2 FoodShare Work Requirements](#)

[3.16.1.3 Exemptions from the FoodShare Work Requirements](#)

[3.16.1.4 Work Registration Requirement](#)

[3.16.1.5 Voluntary Quit or Reduced Work Effort \(VQT\)](#)

[3.16.1.6 Sanction Period](#)

[3.16.1.6.1 At Application](#)

[3.16.1.6.2 Ongoing](#)

[3.16.1.7 Good Cause](#)

[3.16.1.8 Ending a VQT](#)

3.16.1.1 Background

As of March 1, 2008, FoodShare Employment and Training (FSET) became a voluntary program for all FoodShare applicants and members. The FSET program serves people who wish to voluntarily enroll, but benefits cannot be sanctioned for non-participation. Although Wisconsin has a voluntary FSET program, federal regulations require FoodShare applicants and members to comply with FoodShare and **ABAWD** work requirements as a condition of FoodShare eligibility.

ABAWD policy related to FoodShare eligibility is located in section [3.17](#). All FSET policy and some additional ABAWD policy pertaining to the ABAWD work requirement is in the [FSET Handbook](#).

3.16.1.2 FoodShare Work Requirements

Note: The FoodShare work requirement described in this section is different from the ABAWD work requirement. For information on the ABAWD work requirement, see section [3.17.1](#).

All FoodShare applicants and members must comply with the following work requirements as a condition of FoodShare eligibility, unless they meet an exemption (see [3.16.1.3](#)) from the FoodShare work requirement:

1. Register for work at time of application and every 12 months thereafter, **and**
2. Not quit a job of 30 or more hours per week or reduce work hours under 30 hours per week (or with earnings equivalent to 30 hours per week at federal minimum wage, currently \$7.25/hour) without good cause, 30 days prior to application or anytime thereafter, **and**
3. Not refuse to accept a bona fide offer of suitable employment without good cause. Suitable means that:
 - a. Pay is equivalent to minimum wage or higher,
 - b. The employee is not required to either join or quit a union or trade organization,
 - c. The job is not obtained due strike or lockout,
 - d. The job does not pose health risks, and
 - e. The job matches a person's physical and mental ability to perform the job.

Minor variations in the number of work hours worked or in the weekly gross wage equivalent to federal minimum wage multiplied by 30 hours per week are inevitable and must be taken in consideration when assessing compliance with work requirements.

3.16.1.3 Exemptions from the FoodShare Work Requirement

Note: There are some differences between exemptions from the general FoodShare work requirements and exemption from the ABAWD work requirement. For more information on exemptions from the ABAWD work requirement, see section [3.17.1.5](#).

The following FoodShare applicants and members are exempt from meeting the FoodShare work requirement in [3.16.1.2](#):

1. A person younger than age 16 or age 60 or older. A 16 or 17 year old, who is not the head of the primary person or is attending school or an employment or training program, at least half-time, is also exempt.
2. A student enrolled at least half-time in any recognized school, training program or institution of higher education. Students must meet eligibility requirements as listed in [3.15.1](#). A student will remain exempt during the school term, school

breaks, and school vacations unless they graduate, are expelled, suspended, drop out, or do not plan on registering for the next term (excluding summer school).

3. A person considered physically or mentally incapable of becoming employed.
4. A person subject to work requirements under title IV of the Social Security Act (i.e. [W-2](#)).
5. An applicant/member who is responsible for caring for a dependent [child](#) under age 6, or for someone who is incapacitated.
6. A person who has applied for or is receiving unemployment compensation.
7. A regular participant in an alcohol or other drug abuse (AODA) treatment and rehabilitation program.
8. A person employed or self-employed at least 30 hours per week or earning at least the equivalent of federal minimum wage multiplied by 30 hours per week. This includes [migrant](#) and seasonal workers under contract or similar agreement with an employer or crew chief to begin employment within 30 days.
9. An individual who jointly applies for SSI and FoodShare would be exempt from work requirements until a disability determination is made. If they are determined ineligible for SSI, the requirement to register for work should be re-evaluated.

Currently in Wisconsin, SSA does not participate in a joint FoodShare application process.

3.16.1.4 Work Registration Requirement

As a condition of FoodShare eligibility, each food unit member not exempt from the FoodShare work requirements in [3.16.1.2](#) must register for work at the time of application and renewal.

Registration for work is completed when the agency receives one of the following:

1. A signed [RFA](#) after client registration in [CWW](#) is completed,
2. A signed Page 1 application registration form ([F-16019A](#)),
3. A completed, signed FoodShare Wisconsin application form ([F-16019B](#)),
4. An ACCESS application containing an electronic signature, or
5. A signed signature page from the [CARES](#) case summary.
6. A completed telephonic signature ([2.1.1.4](#)).

The [adult](#) who signs the FoodShare application registers all adult food unit members who are required to register for work. IM workers must explain to the food unit the FoodShare work requirements, the rights and responsibilities of work-registered food unit members, and the consequences of failure to comply.

IM workers should provide applicants and members with information about the FSET program. IM workers need to inform work registrants that although registration for work is mandatory, participation in FSET is voluntary and non-participation will not result in being sanctioned. However, if a food unit member has been determined a non-exempt

ABAWD, FSET non-participation of non-exempt ABAWDs may result in the loss of FoodShare eligibility once three months of time-limited benefits are exhausted without meeting the ABAWD work requirement (see [3.17.1](#)).

3.16.1.5 Voluntary Quit or Reduced Work Effort (VQT)

A FoodShare applicant or member not exempt from the FoodShare work requirements in [3.16.1.2](#) will be sanctioned from receiving FoodShare benefits if, 30 days prior to application or anytime thereafter, he or she voluntarily and without good cause:

1. Quits a job of 30 hours a week or more,
2. Reduces work hours below 30 hours per week (or earned income is below \$935.25 per month), or
3. Turns down a bona fide offer of suitable employment.

Note: FoodShare applications must be processed within the normal 30 days processing time frame. If verification of a VQT or good cause is required and has not been verified by day 30, the IM worker must determine FoodShare eligibility as if this person has not failed to meet the FoodShare work requirement. Once eligibility has been determined, the VQT/good cause reason should pend for the appropriate time. If a VQT occurred without good cause, the IM worker would sanction that person in the next possible benefit month.

3.16.1.6 Sanction Period

3.16.1.6.1 At Application

If a VQT occurred within 30 days of the application filing date, without good cause, the individual will be sanctioned for 30 days from the FoodShare filing date. If there are no other eligible members in the food unit, the application will be denied and the applicant will have to re-apply either after the sanction end date or at any time he or she becomes exempt prior to that date.

Example 1: John applied for FoodShare for himself and his three children on March 2. On February 28 he had voluntarily reduced his work hours, without good cause, to 15 hours per week. He will be sanctioned from March 2 through March 31 (30 days). His children will be eligible for benefits beginning March 2. John's participation status will be a gross deemer. His income will be used in the FoodShare eligibility determination for the rest of the food unit.

Example 2: Kathy applied for FoodShare for herself on March 15. She voluntarily quit her full time job on March 14 without good cause. Her sanction period would be from March 15 through April 13 (30 days). Since there are no food unit members eligible for FoodShare, her application will be denied. She can re-apply for FoodShare benefits any time after April 13 or at anytime she becomes exempt prior to that date.

3.16.1.6.2 Ongoing

The sanction period for an ongoing case is as follows:

- 1st occurrence - one month
- 2nd occurrence - three months
- 3rd occurrence - six months

The sanction period begins the first of the month following the month in which the person was given proper notice that they have been sanctioned. The sanctioned individual's participation status will be a gross deemer. His or her income will be used in the FoodShare benefit determination for the rest of the FoodShare group.

Example 3: Joan has been open for FoodShare benefits for herself and her two teenage children since October. On February 20 she reported she quit her job on January 5. She does not have good cause for quitting the job. Her VQT sanction begin date will be April 1.

If the VQT or reduced work effort occurs in the last month of the certification period, the sanction period begins the day after the last certification period ends, regardless of whether or not the person reapplies for FoodShare.

When a sanctioned member moves to another food unit, he or she carries the remainder of the sanction to the food unit he or she joins. Only the member who failed to comply is ineligible.

3.16.1.7 Good Cause

Upon determining that a work registrant voluntarily quit employment, reduced work hours below 30 hours per week, or refused an offer of suitable employment, the IM worker must determine if the reason the applicant/food unit work registrant member took this action was due to good cause. Consider all facts and individual circumstances when making this determination.

Reasons for good cause include, but are not limited to:

1. Job did not meet suitable employment criteria (see [FSET Handbook 7.1.1 Suitable Employment](#)).
2. A work registrant was fired or resigns at the employer's demand.
3. Employer discriminated on the basis of age, race, sex, color, handicap, religious belief, national origin or political belief.
4. Unreasonable work demands or conditions made continued employment unreasonable. For example, working without being paid on schedule.
5. Acceptance of other employment at a wage equivalent to working 30 hours per week at federal minimum wage.
6. Reduced work hours under 30 hours per week, but wage earned is equivalent to working 30 hrs per week, at federal minimum wage, or above.

7. Enrolled at least half-time in any recognized school, training program or institution of higher education.
8. Changes in the household residence impacted access to current employment. For example, the food unit moved to another community because a member accepted a new job or enrolled at least half-time in a recognized school, training program, or institution of higher education.
9. Quit a job or reduced hours due to personal health reasons or health reasons of others.
10. Resignation of someone under age 60, which the employer recognizes as retirement.
11. Quit in the context of the natural pattern of employment, such as migrant or construction labor.
12. Hours of employment were reduced, but the employer remains the same.
13. Quit unsubsidized employment to join a volunteer program, such as VISTA, AMERICORPS, etc.
14. Unavailability of transportation.
15. Inadequate child care for children under age 12.
16. Self-employment ended.
17. Other circumstances where the agency feels there is good cause.

If the sanctioned person requests a fair hearing because their reason for good cause was not approved, benefits should continue until after the fair hearing decision. If the sanction is upheld, the period of ineligibility will begin the first of the month following the month of decision.

Any federal, state or local government employee who participates in a strike and is dismissed because of the participation is considered to have voluntarily quit the job without good cause.

Note: Simplified reporting does not require reporting of job loss or reduction in work hours with the exception of ABAWDs who are exempt from the ABAWD work requirement because they are working at least 80 hours per month (see [6.1.1](#) Change Reporting). IM workers are required to determine good cause at the time the loss or reduction in employment becomes known to the agency. A sanction is imposed the first of the month after the month proper notice of the sanction is provided, regardless of when the VQT became known to the agency. Therefore, benefit recovery does not apply to VQT or reduction in work hours for ABAWDs.

Example 4: While processing Scott's *SMRF* on December 20, Mary notices that Scott's last day of work was October 1. Mary contacts Scott to determine if his job ended due to good cause. Scott does not have good cause for quitting his job. Because Mary is processing the VQT after adverse action in December, his sanction begin date will be February 1.

3.16.1.8 Ending a VQT

When the sanction period ends, a re-request for FoodShare must be made prior to adding the person back to the food unit. If the person is requesting to be added to an open food unit, the person will be added to the food unit the first of the month following the month the sanction ended and the re-request was made.

If the FoodShare assistance group has closed and the applicant is reapplying after the sanction end date, assume the sanctioned individual is re-requesting FoodShare benefits at the time of the application. This is considered a new application, and the sanctioned individual will apply as part of the food unit.

For one person cases, the sanctioned individual will have to reapply for FoodShare benefits once the sanction period ends. If a FoodShare application is filed in the final month of the sanction period, the agency must use the same application for determining eligibility for the subsequent month.

A sanction period may end early only if the person becomes exempt from meeting work requirements.

Example 5: Jeff received notice on March 10 that he will be sanctioned beginning April 1 for voluntarily quitting his full time job. On March 28 Jeff reports new full-time employment. The sanction would not apply because Jeff is now exempt from meeting work requirements since he is employed more than 30 hours per week.

Note: A work sanction cannot be cured through FSET participation. Although an individual may be required to meet work requirements, participation in FSET activities remains voluntary. A sanction cannot be imposed for FSET non-participation. However, non-exempt ABAWDs may lose FoodShare eligibility due to not meeting the work requirement.

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[View History](#)

3.17.1 ABLE-BODIED ADULTS WITHOUT DEPENDENTS (ABAWDS)

[3.17.1.1 Able-Bodied Adults without Dependents \(ABAWDs\)](#)

[3.17.1.2 Application of ABAWD Rules](#)

[3.17.1.3 ABAWD Status](#)

[3.17.1.4 Determining ABAWD Status](#)

[3.17.1.5 ABAWD Exemptions from Time-Limited FoodShare Benefits](#)

[3.17.1.6 Verification of ABAWD Status and Exemptions from Time-Limited FoodShare](#)

[3.17.1.7 ABAWD Work Requirement](#)

[3.17.1.8 ABAWD Definition of Working](#)

3.17.1 Able-bodied adults without dependents (abawds)

[3.17.1.9 Three Countable Months of Time-Limited FoodShare Benefits](#)

[3.17.1.10 The 36-Month Period \(Clock\)](#)

[3.17.1.11 Regaining Eligibility after Exhausting Three Months of Time-Limited Benefits](#)

[3.17.1.12 Three Additional Months of FoodShare Benefits](#)

[3.17.1.13 FSET Participation and FoodShare Eligibility for ABAWDs](#)

[3.17.1.14 Adjusting or Deleting the FoodShare Clock Page \(36-Month Period\)](#)

[3.17.1.15 Additional ABAWD Reporting Requirement](#)

[3.17.1.16 FoodShare Clock System Updates and Statuses](#)

[3.17.1.17 Countable Months from another State](#)

3.17.1.1 Able-Bodied Adults without Dependents (ABAWDs)

ABAWDs must either meet the ABAWD work requirement or an exemption from the work requirement in order to continue to receive FoodShare benefits. Non-exempt ABAWDs who do not meet the work requirement will receive up to three full months of time-limited benefits (*TLB*) in a 36-month time period.

3.17.1.2 Application of ABAWD Rules

Note: This section previously contained information related to the pilot implementation of the ABAWD work requirement and the implementation of the new regional structure. The pilot period concluded on March 31, 2015 due to the statewide implementation on April 1, 2015.

3.17.1.3 ABAWD Status

Non-ABAWD: A member who is not an *ABAWD*, is not subject to *TLBs*, and does not need to meet the ABAWD work requirement.

Exempt ABAWD: An ABAWD who has a verified exemption from *TLBs* and does not need to meet the ABAWD work requirement.

Non-exempt ABAWD: An ABAWD who is subject to *TLBs* and who must meet the ABAWD work requirement in order to maintain FoodShare eligibility after receiving three months of *TLBs* in a 36-month period.

Note: An individual may request a fair hearing if he or she disagrees with the IM agency's determination of ABAWD status. (see [6.4.1](#) Fair Hearings)

3.17.1.4 Determining ABAWD Status

Non-ABAWD: A FoodShare applicant or member is determined a non-ABAWD if he or she meets any one of the following criteria, as determined by the IM agency:

- Under age 18* or age 50** and older;
- Unable to work;
- Residing in a food unit with a child under age 18***; or
- Pregnant.

*Age 18: ABAWD status applies the month following the month the FoodShare member or applicant turns age 18.

**Age 50: ABAWD status no longer applies the first day of the month an ABAWD turns age 50.

*** Individuals who reside with and are included in the same food unit as a child under age 18 are non-ABAWDs, even if that child is ineligible for FoodShare. See section [3.3.1.1](#) for food unit requirements.

Non-ABAWDs are not subject to *TLBs*.

Note: Individuals who are coded as out of the home, including children placed in foster care and out of home tax dependents and co-filers, do not make an individual a non-ABAWD.

3.17.1.5 ABAWD Exemptions from Time-Limited FoodShare Benefits

Exempt ABAWD: A FoodShare member is determined an exempt ABAWD if he or she is an ABAWD who meets at least one of the following criteria, as determined by the IM agency:

- Determined unfit for employment, which includes someone who is:
 - Receiving temporary or permanent disability benefits from the government or a private source;
 - Unable to work due to physical or mental challenges, as determined by the IM agency;
 - Displays mental instability, combativeness, or other mental health issues; the IM worker should consider the member unfit for work and document an exemption, without requiring verification from a health care professional;
 - Per direction from *FNS*
 - Verified as unable to work by a statement from a health care professional or a social worker (may use form [F-01598](#) Medical Exemption from Work Requirement for ABAWD to verify);
 - Experiencing chronic homelessness;
 - A person is chronically homeless if he or she currently lacks a fixed, regular nighttime residence and does not expect to have a regular nighttime residence in the next 30 days. This includes people who are in a temporary housing situation.
- Receiving Unemployment Compensation (UC) or has applied for UC and is complying with UC work requirements;

3.17.1 Able-bodied adults without dependents (abawds)

- **Note:** If UC is denied or has ended, the member is no longer exempt regardless of the reason.
- Regularly participating in an alcohol or other drug abuse (AODA) treatment or rehabilitation program;
- A student of higher education who is otherwise eligible for FoodShare (see section [3.15.1](#));
- A high school student 18 years of age or older, attending high school at least half-time;
- Primary caregiver of a dependent child under age 6 or an incapacitated person (may be part of the food unit or in a separate household);
- Receiving transitional FoodShare benefits; or
- Meeting the ABAWD work requirement outside of FSET through work and/or other allowable work program participation.

Exempt ABAWDs are not subject to *TLBs* during months in which they have a verified exemption. Correct determination of ABAWD exemptions impacts whether or not members are subject to TLBs. ABAWDs may cycle on and off FoodShare benefits and may gain or lose exemptions for a variety of reasons.

FoodShare members who have a pending exemption receive a referral to the *FSET* program as non-exempt ABAWDs. Once an exemption is verified, a referral update is sent to notify the FSET agency of the status change.

Note: For situations where more than one individual shares care giving responsibilities for a child under age six or an incapacitated person, the agency should work with the member to determine which individual has primary responsibility for care of the child or incapacitated person. The other individual's care giving responsibilities can be seen as work and the hours can count towards meeting the work requirement, see [3.17.1.8](#) ABAWD Definition of Working. In most situations, only one individual may claim exemption under this provision for the care of an incapacitated individual. However, there may be an exception with medical documentation which specifies that more than one person is needed to provide the required care.

Non-exempt ABAWD: A FoodShare member is a non-exempt ABAWD if he or she is an ABAWD but is not currently meeting the ABAWD work requirement and does not have an exemption from the work requirement, as determined by the IM agency. Non-exempt ABAWDs are subject to *TLBs* and need to meet the ABAWD work requirement to maintain ongoing eligibility for FoodShare. One of the ways these members can meet the ABAWD work requirement is through FSET participation.

All non-exempt ABAWDs receive a referral to the *FSET* program. Non-exempt ABAWDs are not required to participate in FSET as a condition of FoodShare eligibility. However they may lose eligibility for FoodShare due to failing to meet the work requirement after exhausting three months of *TLBs* in a 36-month period.

3.17.1.6 Verification of ABAWD Status and Exemptions from Time-Limited FoodShare

Non-ABAWD and exempt ABAWD status may be verified in any of the following ways:

- Agency form,
- Statement from health care, social worker, or AODA professional.
- Employer form/paystub/taxes/EVF-E,
- Upon receipt by using data exchanges,
- By using information known to the IM agency,
- Collateral contact, or
- Other acceptable written statement.

As long as an exemption exists for part of a month, the member is exempt for the entire month. An exemption will not be applied until it is verified, so an ABAWD with a pending exemption will receive *TLBs* until the verification is received.

IM agency staff may use the FSET provider as a collateral contact or to provide an acceptable written statement to assist in the determination of ABAWD exemptions. The IM worker makes the final determination whether to apply an exemption to the member's case.

Another option to verify if a member is physically or mentally unable to work is the Medical Exemption from Work Requirement for ABAWD form ([F-01598](#)). The form is not required, and IM workers must accept other forms of verification for this exemption.

Example 1: An IM worker conducts a FoodShare renewal interview over the telephone with Jolene. Jolene explains that she is homeless and currently sleeping at a temporary shelter at night and does not know when she will find permanent housing. The worker determines Jolene is chronically homeless and an exempt ABAWD.

Example 2: An IM worker conducts a FoodShare application interview over the telephone with Andrea. Andrea explains that she is homeless and currently sleeping on the couches of three different friends and does not know when she will find permanent housing. The worker determines Andrea is chronically homeless and an exempt ABAWD.

Example 3: An IM worker conducts a renewal FoodShare interview over the telephone with Ronald. Ronald explains that he is living at his friend's house, but he is not on the lease and cannot use it as a mailing address. Ronald plans to continue living with his friend. The worker determines that Ronald is not chronically homeless.

The effective date of an exemption is the first of the month the exemption was reported or has occurred, whichever is later, as long as verification is provided timely. If verification is due in the month following the month it was reported, the exemption is

3.17.1 Able-bodied adults without dependents (abawds)

effective back to the first of the month it was reported as long as verification is received timely. If verification is received after the due date, the exemption is applied the first of the month in which verification is received. The FoodShare Clock Page may need to be adjusted once verification of an exemption is provided. ([3.17.1.14](#))

Example 4: Exemption is reported and verification requested on April 25, with a due date of May 5. Verification is provided May 4. The exemption is effective April 1.

Example 5: An exemption that begins in May is reported in April. The effective date of the exemption is May 1, regardless of whether the verification is provided in April or May.

Example 6: An exemption that began in April was reported and verified in May. The effective date of the exemption is May 1.

Verification time frame rules for ABAWD status or exemption requests (note: existing verification policy applies, see [1.2.1](#)):

- At **application**: verification is due on the 10th day after requesting the verification, or 30th day of the application processing period, whichever is later.
- At **renewal**: verification is due on the 10th day after requesting the verification, or 30th day of the renewal processing period, whichever is later.
- At **change**: verification is due on the 10th day after the verification has been requested.

Example 7: Jen is completing a face-to-face FoodShare interview and reports that she is pregnant. The IM worker notes that Jen is visibly pregnant, so no additional verification is required. If Jen had reported pregnancy during a phone interview, verification of pregnancy must be requested. The IM worker would inform Jen that until verification of pregnancy is provided she will be determined a non-exempt ABAWD and referred to FSET, because she is not currently meeting the ABAWD work requirement and has not verified an exemption.

Example 8: Angela is an ABAWD who is not meeting the ABAWD work requirement and does not claim an exemption during her application interview on July 7, so a referral is sent to FSET. Angela receives the FSET referral letter, which lists the ABAWD exemptions and types of proof that can be submitted. On August 25, Angela reports to her IM worker that she is regularly participating in an AODA treatment program and is sent a verification request with a due date of September 5. If Angela submits verification timely, she will be treated as an exempt ABAWD as of August 1. At that time, an update is sent to the FSET agency, notifying them of the ABAWD exemption.

3.17.1.7 ABAWD Work Requirement

In addition to FoodShare work requirements ([3.16.1](#)) ABAWDs are required to meet an additional ABAWD work requirement as a condition of FoodShare eligibility.

An ABAWD is considered to be meeting the ABAWD work requirement if one of the following applies:

1. Working a minimum of 80 hours per month. Use converted work hours if paid weekly or bi-weekly;
2. Participating and complying with an allowable work program at least 80 hours per month;*
3. Both working and participating in an allowable work program for a combined total of at least 80 hours per month; or
4. Participating and complying with the requirements of a workfare program.

*Allowable work programs include *FSET*, Refugee Employment and Training, *W-2*, Trial Employment Match Program (TEMP), Children First, Workforce Investment Act (WIA) programs, Refugee Cash Assistance programs, and programs under section 236 of the Trade Act.

3.17.1.8 ABAWD Definition of Working

For ABAWDs, working is defined as one of the following:

1. Work in exchange for money;
2. Work in exchange for goods or services (“in kind”);
3. Unpaid work (i.e. volunteer work, community service);
4. Self-employed at any wage; or
5. Any combination of the above.

3.17.1.9 Three Countable Months of Time-Limited FoodShare Benefits

ABAWD eligibility for FoodShare is limited to three months of *TLBs* in a 36-month period if an ABAWD is not meeting the ABAWD work requirement and does not have a qualifying exemption. The three TLB months do not have to be consecutive.

CWW will count any month as a TLB month in which an ABAWD received a full month of FoodShare benefits and he or she:

1. Is not meeting the ABAWD work requirement; and
2. Does not meet an exemption from the ABAWD work requirement; or
3. Does not verify an exemption from the ABAWD work requirement.

Note: Pro-rated FoodShare benefits are not counted as TLB months.

3.17.1 Able-bodied adults without dependents (abawds)

Example 9: Linda, a non-exempt ABAWD, applied for FoodShare and was found eligible with a certification period of July 2 through August 30. Linda's first TLB month is August because July benefits were prorated.

Example 10: Libby is a non-exempt ABAWD who earned two TLBs in November and December. On January 5, Libby reports and verifies that her roommate's child moved into her home on December 21. Libby, her roommate, and her roommate's child are in the same food unit. Libby's status changes to non-ABAWD effective January 1, the month the change was reported and verified.

3.17.1.10 The 36-Month Period (Clock)

During a 36-month period, an ABAWD may continue receiving FoodShare benefits or regain eligibility after exhausting the three months of *TLBs* as long as the ABAWD is meeting the work requirement or an exemption, or is determined to be a non-ABAWD.

Counting the 36-Month Period

The 36-month period begins for individuals who are:

- Eligible for FoodShare;
- Determined to be a non-exempt ABAWD;
- Not meeting the work requirement; and
- Not meeting an ABAWD exemption.

Once started, the period continues uninterrupted for 36 months, regardless of FoodShare eligibility status, ABAWD status, or whether the work requirement or an ABAWD exemption is met. The only exception to this is if the FoodShare clock, which counts the 36-month period, was created in error. See section [3.17.1.14](#) Adjusting or Deleting the FoodShare Clock Page. The period ends after 36 months have elapsed.

Example 11: Audrey, a non-exempt ABAWD, applies and is determined eligible for FoodShare effective July 2, 2015. July is a partial month. Audrey does not meet the ABAWD work requirement in August. Audrey's 36-month period begins August 1, 2015 and runs continuously through July 31, 2018, regardless of changes in ABAWD status or FoodShare eligibility.

Subsequent 36-Month Periods

A new 36-month period will start with the first full benefit month after a 36-month period expires and when all of the following are met:

- Is eligible for FoodShare;
- Is not meeting an ABAWD exemption;
- Is not meeting the work requirement; and

- Is determined to be a non-exempt ABAWD.

A new 36-month period will not begin if the individual meets one of the following:

- Ineligible for FoodShare;
- Determined to be a non-ABAWD;
- Meeting the work requirement; or
- Meeting an exemption.

Example 12: Jeff’s 36-month period began February 1, 2015. Jeff was meeting the work requirement when his 36-month period ended on January 31, 2018. A new 36-month period will not begin until Jeff stops meeting the work requirement and he does not have an exemption.

Example 13: Jeff’s 36-month period began February 1, 2015. Jeff was not meeting the work requirement and was not exempt from the work requirement when his 36-month period ended January 31, 2018. A new 36-month period will begin February 1, 2018.

Example 14: 36-month Period

The table below provides an example of potential changes in ABAWD status and exemptions that may occur over one 36-month period. The **TLB** months are not consecutive due to several factors including: FSET participation, gaining and losing employment, FoodShare ineligibility, and an exemption (receipt of unemployment compensation). Three consecutive additional months ([3.17.1.12](#)) are granted after FoodShare eligibility is regained during the work requirement.

Year	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1	Applied Eligible FS TLB 1	FSET	FSET	FSET	Work	Work	Work	Work	Over Income	Over Income	Over Income	Over Income
2	Applied Eligible FS	UC	UC	UC ends	TLB 2	Work	Work	Work	Work ends	TLB 3	Work	Work
3	Work ends	Additional month 1	Additional month 2	Additional month 3	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible

Year 1:

January 1	Eligibility for FoodShare begins for a non-exempt ABAWD. A TLB is the first full month of benefits.
February through April	The FSET participation requirement is met.
May through August	ABAWD work requirement met by working 80 hours or more per month.
September through December	Ineligible for FoodShare due to being over the income limit.

3.17.1 Able-bodied adults without dependents (abawds)

Year 2:

January through April	Receives <i>UC</i> .
January 15	Reapplies and is eligible for FoodShare.
April 5	Reports that <i>UC</i> benefits ended.
May	No longer exempt and a second TLB is issued.
June through September	ABAWD work requirement is met by working 80 hours or more per month.
October	Employment ended and no exemption exists. A third TLB is issued.
November through December	ABAWD work requirement met by working 80 hours or more hours per month.

Year 3:

January	Employment ends.
February through March	Three consecutive additional months of FoodShare are issued.
May through December	Ineligible for FoodShare because the ABAWD work requirement is not met and no exemptions exist.
December 31	The 36-month period ends.

3.17.1.11 Regaining Eligibility after Exhausting Three Months of Time-Limited Benefits

There is no limit on how many times an ABAWD may regain eligibility after exhausting three months of *TLBs*. A new application is required if the ABAWD re-requests FoodShare as a food unit of one. If an ABAWD is requesting FoodShare on an on-going case, follow the person add policy to re-establish FoodShare eligibility ([6.1.3.3](#)). ABAWDs who have exhausted three months of TLBs during a 36-month period may regain eligibility by:

- Meeting the ABAWD work requirement for at least 30 consecutive days prior to the new FoodShare filing date and currently meeting the ABAWD work requirement, OR verifying that the ABAWD work requirement will be met within 30 days of the new filing date. The ABAWD work requirement can be met by:
 - Working a minimum of 80 hours in the 30-day period;
 - Participating in and complying with requirements of an allowable work program for at least 80 hours in the 30-day period ([3.17.1.7](#)). FoodShare

eligibility is a required prerequisite to FSET enrollment, so an ABAWD cannot regain eligibility through FSET participation after FoodShare closes. Keep in mind, this is only for non-exempt ABAWDs who have exhausted their three TLBs; or

- A combination of work and participation in an allowable work program for a minimum of 80 hours in the 30-day period;
- Currently meeting an ABAWD exemption at the time of the application and providing verification of the exemption; or
- The ABAWD's 36-month period expires.

An ABAWD who has exhausted three months of TLBs and is not meeting one of the above requirements at the time of re-application is ineligible for FoodShare. If the ineligible ABAWD is a member of an open food unit, the ABAWD will be counted as a pro-rated deemer. See [4.7.5 Prorated Deeming](#).

Example 15: Stella's FoodShare closed on October 31, 2015 after three TLBs were issued for August, September, and October. Stella reapplies for FoodShare on January 2, 2016. During the FoodShare interview Stella reports that she had gained seasonal employment of 20 hours per week from November 8 through December 28, 2015. Stella's application is denied because although she worked 30 consecutive days, she was not meeting the ABAWD work requirement at time of application. Had Stella's job not ended, FoodShare eligibility would be effective from her filing date.

Example 16: Gracie received three TLBs for November, December, and January. FoodShare closes January 31. Gracie claims an exemption when she re-applies for FoodShare on February 10. Verification of the exemption is requested by the IM worker. Gracie failed to submit verification until after the 30 day application processing period, so the FoodShare application is denied.

Example 17: Toby is open for FoodShare on a case with his girlfriend and cousin. Toby received three TLBs for January, February, and March. FoodShare remains open for Toby's girlfriend and cousin. Toby becomes a pro-rated deemer effective April 1. On May 12, Toby requests to be added back into the food unit. He has been working at Target since May 5. He works 10 hours a week, and provides paystubs for verification. When eligibility is run, Toby is found ineligible because he is not fully meeting the ABAWD work requirements and he will continue to be a pro-rated deemer.

3.17.1.12 Three Additional Months of FoodShare Benefits

In certain cases, an ABAWD who has exhausted three months of *TLBs*, regains eligibility by meeting the ABAWD work requirement, and then stops meeting the ABAWD work requirement, may receive up to three additional consecutive months of FoodShare eligibility, during which he or she is not required to meet the ABAWD work requirement.

3.17.1 Able-bodied adults without dependents (abawds)

The three additional months of FoodShare eligibility will be determined by *CWW* and:

1. Apply only to ABAWDs who have exhausted three months of TLBs, regained FoodShare eligibility by meeting the ABAWD work requirement ([3.17.1.11](#)), and then stopped fulfilling that ABAWD work requirement while receiving FoodShare; and
2. May only be received one time during a 36-month time period; and
3. Must be applied consecutively, regardless of changes in FoodShare eligibility or ABAWD status.

3.17.1.13 FSET Participation and FoodShare Eligibility for ABAWDs

ABAWDs subject to *TLBs* may choose to meet the ABAWD work requirement by participating in FSET. Participation in the FSET program is voluntary. A non-exempt ABAWD enrolled in FSET must participate in qualifying activities in order to meet the ABAWD work requirement and maintain on-going FoodShare eligibility. See the [FSET Handbook](#) for more information on qualifying activities.

FSET agencies will enter participation information in the FSET tool. This information will be sent to *CWW* to determine eligibility for the following month. IM workers can check the FoodShare Clock page to see ABAWD participation status if FoodShare eligibility is affected by FSET compliance. See [3.17.1.16](#) FoodShare Clock System Updates and Statuses.

Anticipated to Meet the ABAWD Work Requirement through FSET Participation

Although FoodShare benefits are issued prospectively at adverse action, knowledge of actual FSET participation is retrospective. When a non-exempt ABAWD is in their third TLB or third additional month* and is actively participating in FSET, the 'Anticipated to Meet the ABAWD Work Requirement' option should be used by the FSET worker if it is reasonably anticipated that the participant will meet the current month's ABAWD work requirement through FSET participation. This is necessary in order for CARES to determine FoodShare eligibility prospectively for the next month. See section [3.17.1.16](#) FoodShare Clock System Updates and Statuses for Active in FSET and Extended Benefit definitions.

Note: Non-exempt ABAWDs in the third additional month must also have met the FSET participation requirement during the second additional month in order to be eligible for on-going FoodShare benefits by participating in FSET beyond the three additional months.

FoodShare benefits issued based on reasonable anticipation of FSET participation are recoverable if the ABAWD fails to meet the ABAWD work requirement through FSET participation without good cause. The existing benefit recovery process should be

followed if the IM agency becomes aware that the member did not fulfill their participation requirements when this policy was applied ([7.3.1 Benefit Overpayment](#)).

If the FSET agency assumed in the third month that the participant will not meet the ABAWD work requirement and at the end of the month the participant met the ABAWD work requirement. The IM worker must process the case to make sure the individual's benefits continue. The FSET agency will notify the IM agency if this circumstance occurred. The IM worker must ensure that the FoodShare Clock System Status is accurate and may need to adjust the status to reflect the FSET participation.

3.17.1.14 Adjusting or Deleting the FoodShare Clock Page (36-Month Period)

Deleting or adjusting the FoodShare Clock page may be required to accurately reflect ABAWD status and FoodShare eligibility. The timing of the receipt and processing of verification may result in the 36-month clock beginning incorrectly or a month being counted as a *TLB*, even though the *ABAWD* is later determined to be a non-ABAWD or exempt. The 36-month clock starts when an ABAWD is determined to be subject to TLBs for the first time and the first TLB is issued. The 36-month clock should not be deleted unless proof of the exemption is submitted timely and no other TLBs should have been applied. IM workers can only delete the clock if three or fewer months have passed on the clock. If more than three months have passed and the clock needs to be deleted, IM workers should contact the CARES Call Center.

Example 18: Al applies and is determined eligible for FoodShare beginning September 1. During the application interview, Al reported that he met an exemption. Al provides verification 25 days after his filing date. This verification was provided timely and the exemption is effective September 1. Since FoodShare was not prorated for the month of application and Al's clock had begun, the FoodShare clock page should be deleted.

Example 19: Al applies and is determined eligible for FoodShare beginning September 1. During the application interview Al reported that he met an exemption. Al provides verification on October 12. Since FoodShare was not prorated for the month of application and verification was untimely, Al's 36-month clock correctly began effective September 1 and he received his first TLB for the month of September. The FoodShare Clock page should not be deleted.

Example 20: Julie applies for FoodShare and is found eligible as a non-exempt ABAWD as of August 10. Her 36-month clock begins September 1. She reported during her phone interview on August 15 that she is pregnant and has been since before her FoodShare application. The worker sends her the verification checklist with a due date of September 11. She provides proof of pregnancy on September 1. The worker updates the Pregnancy page, then runs and confirms eligibility. She is considered a non-ABAWD and her 36-month clock is deleted.

If an individual is removed from all **Wisconsin assistance programs**, the clock will continue to tick. If that individual later reapplies or is added to a food unit within the 36-

3.17.1 Able-bodied adults without dependents (abawds)

month period, the existing clock will be systematically updated and become viewable on the current case.

Example 21: Gus and Lucy are receiving FoodShare together and both are non-exempt ABAWDs. They each have their own 36-month clock that begins on September 1, 2015. Gus moves out of the home and is removed from the food unit on December 10, 2015; he does not apply for FoodShare on another case. He moves back in with Lucy on June 10, 2016 and is added back to her food unit. He will have the same clock with the September 1, 2015 begin date and his clock will show his monthly status as 'Ineligible' from January 1, 2016 through June 30, 2016.

Adjusting the FoodShare Clock due to Verification Receipt

The FoodShare Clock may need to be adjusted when timing of verification receipt and processing results in:

- The 36-month clock beginning in error, or
- A month being counted as a TLB month, but the ABAWD is later determined to be a non-ABAWD or an exempt ABAWD.

IM workers may make adjustments to the FoodShare Clock by overriding a System Status. They should identify the cause of the incorrect clock status and override the FoodShare Clock System Status to the correct status. More than three "Time-Limited Benefit" statuses cannot be entered on a FoodShare Clock. The "Additional Month" status is not allowed as an override entry. Document changes to the clock in the case record.

Example 22: Linda was issued three TLBs for January, February, and March. On March 25, Linda reported and verified that she has been caring for her incapacitated mother since February 16. Linda is an exempt ABAWD effective March 1. The TLB for March is overridden to 'Exempt'. Had Linda reported the exemption in February, she would have been exempt beginning February 1, if verification was provided timely.

Adjusting the FoodShare Clock due to a Fair Hearing Decision

Fair hearing decisions may also require an adjustment to the 'System Status' displayed on one or more months of the FoodShare Clock Page. The IM worker can make the adjustment to the appropriate clock status. If the clock's start month is more than three months in the past and the clock needs to be deleted, this must be sent to the CARES Call Center along with an explanation regarding why it should be deleted.

Clock Adjustments

The clock is updated several times each month and because these updates are triggered based on the system statuses, it is critical that IM workers thoroughly review the clock to determine correct system statuses before making any adjustments. System statuses that are incorrectly updated may result in a case not being scheduled for the correct batch run(s) and may also affect an individual's FoodShare eligibility. Any time

that a manual adjustment to a clock is needed, IM workers must enter case comments to explain the action taken.

3.17.1.15 Additional ABAWD Reporting Requirement

ABAWDs are required to report if their work hours drop below 80 hours per month by the 10th of the month following when the change occurred. ABAWDs are not required to report other changes in ABAWD status or a change in exemption ([6.1.1](#)).

An overpayment claim should not be established if benefits were issued for a month that the ABAWD was not exempt or meeting the ABAWD work requirement due to a change in exemption or ABAWD status that was not required to be reported.

Adverse action rules continue to apply.

Example 23: Carol was issued a second TLB for the month of August. In September, Carol's ABAWD status changes to 'Exempt' after she reports and provides timely verification of participation in an AODA treatment program. During her March FoodShare renewal, Carol reports that AODA treatment ended in October. An overpayment is not established for FoodShare benefits issued from October through March because she was not required to report the change in exemption status due to reduced reporting.

3.17.1.16 FoodShare Clock System Updates and Statuses

FoodShare Clock 'System Status' updates to the FoodShare clock may occur when:

- Eligibility is run and confirmed for the recurring or current month;
- The new batch job runs on the second Saturday of the month to collect prior month's information from the "Work Requirement Met?" field on the FSET Tool's Track Participation and Good Cause page,
- The new batch job runs on adverse action to collect current month information from the "Anticipated to Meet Work Requirement?" field on the FSET Tool's Track Participation and Good Cause page, or
- Eligibility is run and confirmed in the adverse action batch run.

FoodShare Clock System Statuses

Active in FSET	Individual is participating in FSET for the current month, and is expected to meet the ABAWD work requirement by the end of the month. This is only set if the individual is in their third TLB month, third additional month, or extended benefit month.
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3.17.1 Able-bodied adults without dependents (abawds)

Additional Month	Individual has exhausted all TLB months and has been granted three consecutive months of additional benefits due to meeting the ABAWD work requirement.
Exempt	Individual verified an exemption and is not required to meet the ABAWD work requirement for the month.
Extended Benefit Month	Individual has used three TLB and three additional months, has participated in FSET in the second and third additional month, and is expected to participate in FSET the month this status is applied.
Ineligible	Individual is ineligible for FoodShare .
Met FSET Requirement	Individual met the ABAWD work requirement by participating in FSET.
Met Work Requirement	Individual met the ABAWD work requirement by working and/or participating in a work program.
Partial Month FoodShare Issued	Individual received a partial month of FoodShare benefits. This is not a countable month.
Time-Limited Benefit	Individual received a full month of FoodShare as a non-exempt ABAWD and did not meet the ABAWD work requirement.

3.17.1.17 Countable Months from another State

Time-limited months and additional months received in another state are countable months if the ABAWD already had a 36-month clock established in Wisconsin prior to moving to the other state. In this case, the IM agency must verify the number of countable months the individual received in the other state. If the individual did not establish a 36-month clock prior to moving to another state, the IM agency would not need to verify countable months received in the other state.

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3.18.1 CHILD SUPPORT COOPERATION

Child support cooperation is no longer a requirement for FoodShare for custodial or non-custodial parents. Sanctioned individuals who now meet financial and nonfinancial requirements can be added back to on-going food units effective the first of the month following the month the request is made to add the person to the case. This is in accordance with the current FoodShare person add policy ([6.1.3.3](#) Changes that Cause an Increase in Benefits, Including Person Adds).

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3.19.1 FLEEING FELONS AND PROBATION AND PAROLE VIOLATORS

7 CFR 273.11(n)

A person is ineligible to receive FoodShare benefits if they are determined to be a fleeing felon or probation/parole violator.

A fleeing felon is a person who is intentionally fleeing to avoid prosecution or custody/confinement for a crime, or an attempt to commit a crime, that would be classified as a felony. A probation and parole violator is a person who is in violation of conditions of probation or parole imposed by state or federal law. Law enforcement must be actively seeking the individual to enforce these conditions. Individuals who are fleeing felons or probation or parole violators shall not be considered eligible food unit members.

FoodShare policy allows self-declaration of status as a fleeing felon or violator of probation or parole. IM agencies are not required to investigate whether applicants or members might have an outstanding warrant, unpaid fine, or face other legal charges. However, if an IM agency becomes aware of a felony conviction or probation/parole violation through a database, media or through other sources, the agency must take action to deny or terminate FoodShare benefits when the following conditions are met:

For individuals who are fleeing felons (all conditions must be met):

- There is an outstanding felony warrant for the individual;

3.19.1 Fleeing Felons and Probation and Parole Violators

- The individual is aware, or should reasonably have been able to expect that a warrant has or would have been issued;
- The individual has taken some action to avoid being arrested or jailed; **and**
- A law enforcement agency is actively seeking the individual.

For individuals who are a violator of probation or parole (both conditions must be met):

- The individual must have violated a condition of his or her probation or parole; **and**
- A law enforcement agency must be actively seeking to arrest the individual and to enforce the conditions of the probation or parole.

“Actively seeking” is defined as any of the following:

- A law enforcement agency stating that it intends to enforce an outstanding warrant or arrest an individual for a probation or parole violation within 30 days of the date of an IM agency requesting information about a specific warrant or violation associated with an individual.
- A law enforcement agency stating that it intends to enforce an outstanding warrant or arrest an individual for a probation or parole violation within 20 days of the law enforcement agency submitting a written request to an IM agency for information about a specific individual.
- A law enforcement agency presents to an IM agency a felony arrest warrant identified by one of the following National Crime Information Center Uniform Offense Classification Codes:
 - Escape (4901)
 - Flight to Avoid (prosecution, confinement, etc.) (4902)
 - Flight-Escape (4999)

If an IM agency has reason to suspect that an individual is deliberately fleeing active pursuit from law enforcement, the IM agency must contact the authorities to determine if law enforcement deems the legal infraction worth pursuing, or if a warrant was issued for a matter that is not being actively pursued. The IM agency must give the law enforcement agency 20 days to respond to a request for information about the conditions of the warrant or a probation or parole violation and whether the law enforcement agency intends to actively pursue the individual.

If the law enforcement agency **does not** respond or indicates that it **does not** intend to enforce the warrant within 30 days, the IM agency must assume that the individual is not a fleeing felon or a probation or parole violator. The IM worker must code the person as “No”, he or she is not a fleeing felon or probation or parole violator, document this decision in the case file, and then determine eligibility.

If the law enforcement agency **does** indicate that it intends to enforce the warrant within 30 days, the IM agency will postpone taking any action on the case until the 30-day period has expired. Once the 30-day period has expired, the IM agency must verify with the law enforcement agency whether it has attempted to execute the warrant.

- If the law enforcement agency has attempted to execute the warrant, the IM agency must take the appropriate action to deny or terminate FoodShare eligibility for the individual.
- If the law enforcement agency has not attempted to execute the warrant, the IM agency must assume that the individual is not a fleeing felon or a probation or parole violator. Document this information in case comments.

Note: FoodShare applications must be processed within the normal 30-day processing time frame. If verification of fleeing felon or probation or parole violation status has not been verified by day 30, the IM worker must determine FoodShare eligibility as if this person is neither a fleeing felon nor a probation or parole violator.

Application Processing

The IM agency should continue to process the application while awaiting verification of fleeing felon or probation or parole violation verification status. If the verification is not returned within the 30-day processing time frame, process the application without consideration of the individual's fleeing felon or probation or parole violator status. The IM worker must code the person as "No", he or she is not a fleeing felon or probation or parole violator, and then determine eligibility.

If it is determined that an individual meets the conditions for being considered a fleeing felon or violator of probation or parole, the IM worker must code the "Current Demographics" page accordingly. Coding the Fleeing Felon/In Violation of Probation or Parole question will issue the correct denial/termination notice for that individual.

If an ineligible individual is still in the home, count his or her income and expenses as if he or she were still a food unit member. An individual ineligible for FoodShare because he or she is a fleeing felon or in violation of probation or parole conditions is a gross deemer ([4.7.6](#) Gross Deeming) if there are other eligible FoodShare assistance group members.

Upon the written request of a local, state, or federal law enforcement officer when a food unit member is fleeing to avoid prosecution or custody for a crime that would be classified as a felony or is violating a condition of probation or parole, the IM worker must provide an *address*, Social Security number, and if available, a photograph to the law enforcement official. This also applies to other food unit members who have

information necessary for the apprehension or investigation of another member who is fleeing to avoid prosecution or is violating a condition of their parole.

IM agencies must not require that a photo ID be provided as a condition of eligibility for FoodShare. The IM worker is only to provide a photograph in the above circumstances if the food unit member happened to use a photo ID to verify their identity.

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[View History](#)

3.20.1 DRUG FELONS

[3.20.1.1 Applications](#)

[3.20.1.2 Ongoing cases](#)

[3.20.1.3 Regaining Eligibility](#)

7 CFR 273.11(m)

For FoodShare eligibility purposes, a drug felon is a person (*adult* or a *minor*) who is convicted of a felony in a state or federal court involving the possession, use or distribution of a *controlled substance* within the last five years. Convicted drug felons must have a negative drug test result (pass) to become eligible for FoodShare. The drug test should include the drug for which the applicant or member received the felony conviction. Drug felons who test positive (fail) for controlled substances will be sanctioned.

The cost of drug testing must be paid for by the local agency and the drug test must be state certified. If the drug felon passes the drug test, do not test again at each renewal. The local agency may use the results of a drug test conducted by another state certified entity if the test was taken within the last 30 days. Examples of other state certified entities include, but are not limited to, probation officers, employers, FEPs, etc. If a previous drug test result is offered but is older than 30 days, require a new drug test.

A FoodShare applicant or member must state whether he or she or any member of his or her food unit has been convicted in any state or federal court of a felony for possession, use, or distribution of a controlled substance. The applicant/member's signature on the Application Summary is sufficient to satisfy this requirement.

3.20.1.1 Applications

During the FoodShare interview, IM workers must notify applicants and food unit members of the drug testing policy if anyone in the household has been convicted of a drug felony in the past five years, the consequences of a positive (failed) drug test or refusal to submit a drug test, and the applicant's right to decline aid.

Applicants and food unit members who meet the definition of a drug felon and agree to take a drug test will be tentatively approved until a drug test is taken. If applicant or food unit member passes this test, he or she remains eligible. If the applicant or food unit member refuses to take a drug test, he or she will remain ineligible for FoodShare until he or she agrees to take a drug test.

If the drug test result is positive, the applicants food unit member is ineligible for 12 months from the next possible benefit month. If the drug test result is negative, the individual remains eligible. Do not retest the individual at renewal. If applicants decline to submit to a drug test or fail to complete the test within 30 days, he or she is **not** subject to the 12-month sanction period. The applicant may reapply for FoodShare and complete the test at any time.

In the pre-drug test information gathering process, the FoodShare applicant or member should identify any prescription or non-prescription drugs they are taking that may cause a positive test. However, if the applicant/member tests positive for a drug legally prescribed, he or she should not be sanctioned if he or she provides a statement from a physician or pharmacy explaining the positive test within 30 days from date of a positive test. For example, taking a legally prescribed opiate derivative could potentially cause a positive test but should not result in a sanction if the applicant or member verifies a valid prescription for this medication. IM workers must also inform applicant members who have agreed to a drug test that some non-prescription medications (e.g. cold medicine) and some foods (e.g. poppy seeds) may cause a positive result.

If a physician/pharmacist statement is not received by the IM agency within 30 days from testing positive, the applicant will be sanctioned for a year. For information on regaining eligibility see [3.20.1.3](#).

Applicants who miss a scheduled drug test should be sanctioned immediately. If the applicant later agrees to take a test within the application period, another drug test can be scheduled. If he or she takes and passes this test, the sanction should be removed and any benefits missed should be issued. If the applicant misses a drug test and requests another test after the initial application period, the test should be scheduled. If he or she passes this test, approve benefits for the next possible payment month.

For a one person food unit, a missed drug test appointment would result in a denial of the FoodShare application. A new application ([2.1.1](#)) would be required if the individual wanted a new opportunity to take a drug test.

Example 1: Jane is applying for FoodShare for herself and her two children on June 19. She admits she is a convicted drug felon and agrees to take a drug test. The IM worker schedules the drug test for June 25. No other verification is needed by June 21, so the IM worker processes the application and Jane is found eligible for June, July, and August FoodShare benefits. Results from the drug test are received by the IM worker on July 2. Jane failed the drug test. Jane will be sanctioned effective August 1 for 12 months. Her two children remain eligible for

FoodShare .

3.20.1.2 Ongoing cases

If a felony drug conviction is reported for an eligible FoodShare member at renewal or any other time, immediately schedule the individual for a drug test. Refusal to take a drug test will result in the felon being removed from the FoodShare assistance group until the individual agrees to take the test. If a felon tests positive on a drug test, deny FoodShare for the individual for 12 months starting in the next possible benefit month.

<p>Example 2: Bob is receiving FoodShare with his girlfriend and her daughter. He was convicted of a drug felony on June 29 and reported this at his July renewal on July 12. He was placed on probation as a result of his conviction. He refuses to take a drug test. Bob will be sanctioned until he agrees to take a drug test. If he had agreed to take the test and failed, he would be sanctioned in the next possible benefit month for 12 months.</p>

An IM worker may discover an incomplete Drug Felon page in an open or ongoing case. If it is within the five-year lookback, the IM worker must complete Form [F-01542](#) Notification of Required Drug Testing and mail it to the member. The IM worker must also either request that the member call to schedule a drug test or schedule a drug test and notify the member of the time and date.

<p>Example 3: In August, Mark requests to be added to Cindy's FoodShare case. Mark has declared he is not a convicted drug felon. However, when the IM worker gets to the Individual Non-Financial gatepost page, there is an indication that someone in the household is a convicted drug felon. Cindy is listed as a convicted drug felon who agreed to complete a drug test. There is no drug test date and no drug test results recorded in <i>CWW</i> for Cindy. The IM worker will need to notify Cindy by using form F-01542 that she must submit to and pass a drug test in order to maintain FoodShare eligibility.</p>

Note: Members who are a food unit member subject to simplified reporting rules (also referred to as reduced reporting) are not required to report a drug felony as part of the change reporting process. See section [6.1.1.2](#) Reduced Reporting.

3.20.1.3 Regaining Eligibility

To regain eligibility after 12 months the drug felon must reapply and submit to another drug test. If the individual does not submit to a test, continue to deny the individual until a test is agreed to. If the person agrees to take a test, continue to deny the individual until the results are received.

If the second drug test is negative, the person may be eligible for FoodShare as of the first of the month following the month in which the individual agreed to take the test. If the second test results are positive, the person is ineligible for the FoodShare program

for an additional 12 months. As with other sanctions that end, the individual must re-request FoodShare. The individual will not automatically be eligible when the sanction period ends.

If the ineligible drug felon is in the food unit, *deem* that person's income and expenses to the FoodShare assistance group.

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[View History](#)

3.21.1 QC SANCTIONS

FoodShare members who refuse to participate in a Quality Control (QC) review are sanctioned from FoodShare Wisconsin. The entire food unit is sanctioned if any member refuses to participate in a QC review.

There are two types of QC sanctions:

- State QC review sanctions
- Federal QC review sanctions

Food units with a state QC review sanction are sanctioned in the next possible payment month through the end of the annual quality control review period (September 30), plus another 125 days or until the food unit member(s) cooperate, whichever occurs first.

Food units with a federal QC review sanction are sanctioned in the next possible payment month through the end of the annual quality review period (September 30) plus another seven months, or until the food unit member(s) cooperate.

Example: Susan's FoodShare case is sampled for a QC review of October 2012 FoodShare benefits. State QC reports to the agency that Susan refuses to cooperate with the State QC review. Susan's food unit is ineligible until January 2, 2014, or until she cooperates with the State QC review, whichever occurs first.

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4 FINANCIAL REQUIREMENTS

4.1 GENERAL FINANCIAL ELIGIBILITY

[View History](#)

4.1.1 GENERAL FINANCIAL ELIGIBILITY

7 *CFR* 273.9

Eligibility and benefit calculations for FoodShare are based on prospectively budgeted monthly income using estimated amounts. The income to be budgeted is identified through the interview ([2.1.3](#)) and the verification ([1.2.1](#)) process. Only include income actually available to the food unit. Do not budget income until the first month in which it is received. The IM worker must use the best-verified information available when determining the best estimate of income.

Disregard means do not count, exempt, or exclude. Disregard any gain or benefit that is not in the form of money paid directly to the food unit. Examples of these in-kind benefits are meals, clothing, housing, and garden produce.

Deem means allocate income and/or expenses to the FoodShare assistance group from an individual not in the FoodShare assistance group. Deeming occurs regardless of whether the allocated amounts change hands. Deeming may occur for sponsored immigrants, or for members of the food unit, who are not included in the FoodShare assistance group due to non-financial ineligibility.

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4.2 CATEGORICAL ELIGIBILITY

[View History](#)

4.2.1 CATEGORICAL ELIGIBILITY

[4.2.1.1 Categorical Eligibility Introduction](#)

[4.2.1.2 Case Processing](#)

[4.2.1.3 Special Circumstances](#)

[4.2.1.4 Transitional FoodShare Benefits](#)

[4.2.1.5 EBD Food Units](#)

7 *CFR* 273.2(j)(2)

4.2.1.1 Categorical Eligibility Introduction

4.2.1 Categorical Eligibility

Most food units are considered categorically eligible if their gross income is at or below 200% FPL and the language describing "Job Center of Wisconsin" services, a partially **TANF** funded service that all food unit members are authorized to receive, is issued to the food unit on a **CARES** generated notice of decision. The following text will appear on FoodShare approval and change notices.

"Job Center of Wisconsin" (formerly known as JobNet) is available to you. Job Center of Wisconsin is the single largest source of job openings in Wisconsin, you can access Job Center of Wisconsin via the internet at <http://www.wisconsinjobcenter.org/> or on touch screen monitors at your local job center. To locate a Job Center of Wisconsin nearest you call 1-888-258-9966."

The food unit is not categorically eligible if any member of its food unit loses FoodShare eligibility because he or she:

1. Total gross income is above 200% ([8.1.4](#)),
2. Was disqualified for an **IPV** ([3.14.1](#)),
3. Was disqualified due to a drug felony sanction ([3.20.1](#)), or
4. The primary person is disqualified for failure to comply with the work requirements.

Food units that contain a member who is sanctioned for an IPV or drug felony continue to be eligible to receive TANF Job Center of Wisconsin services so assets are excluded and not deemed. The sanctioned food unit member's income continues to be deemed. The food unit is no longer considered categorically eligible so it must be tested using the regular **SNAP** program gross and net income limits. See [8.1.1](#) for those income limits.

If the food unit's gross income goes over 200% of FPL, the case will close. A negative notice will be sent with reason code 013: Income reported exceeds the program eligibility standard.

Do not test a categorically eligible food unit against the FoodShare asset, gross income, and net income limits. Calculate the food unit's net income to determine its allotment amount. Continue to verify **residency** and sponsored immigrant information because Job Center of Wisconsin does not collect this information.

Categorically eligible FoodShare assistance groups with zero benefit allotment amounts will be denied. The denied or closed FoodShare assistance group can file a new application and complete an intake interview if they wish to be reconsidered for FoodShare eligibility.

4.2.1.2 Case Processing

CARES will deny or close the FoodShare benefits automatically when the FoodShare assistance group's adjusted income is greater than the allotment amount. CARES will

issue a closure notice that will include reason code 557: "Your net income exceeds the level to receive FoodShare benefits."

If the food unit is required to re-apply for FoodShare after being closed, the food unit must be assessed for priority service, have a new filing date set, and complete an interview. If the food unit provides verification within the month following the month of case closure, which resolves ineligibility, FoodShare reopens without the food unit needing to reapply for FoodShare. Benefits are prorated from the date the food unit took the required action.

4.2.1.3 Special Circumstances

FoodShare assistance groups units with zero FoodShare benefits in their initial benefit month and a FoodShare allotment greater than zero in the second month will be denied in the first month and opened in the second month. If the benefit calculation is zero for the first two months, the case will be denied. The 12-month FoodShare certification period will begin the month of application even though the first month may be denied because the allotment amount is zero.

Example 1: Barry applied for FoodShare in August after he lost his job. In the FoodShare benefit determination, Barry received zero for August (due to excess income) and \$98 in September. His certification period starts in August.

4.2.1.4 Transitional FoodShare Benefits

If the FoodShare benefit is reduced to zero for the month between the benefit determination month and the month transitional FoodShare benefits (TFS) begins, the case will remain open. See [5.1.1 Transitional FoodShare Benefits \(TFS\)](#).

Example 2: Donna got a job in July and her last [W-2](#) check was issued in August. Her TFS benefit starts in September. Her income from her new job caused her allotment to be reduced to zero for August. The case remains open during the month of August and her TFS benefits start in September.

4.2.1.5 EBD Food Units

Food units that include an elderly, blind or disabled member with gross income over 200% of the FPL must be tested for FoodShare using the regular SNAP rules. Under the regular SNAP rules, these food units have no gross income limit, but must have net income that does not exceed 100% FPL and countable assets that do not exceed \$3,250.

Case Processing

4.3.1 Income (General)

If the food unit passes both the asset and the net income tests, the income must be adjusted in the CARES system for the FoodShare calculation to allow the food unit to pass the 200% gross test and issue the correct benefit to the FoodShare assistance group. Use the [F-16033](#) to determine the adjusted income amount. Suppress the CARES generated notices and send a manual positive notice along with a copy of the worksheet. See [Ops Memo 10-51](#) for CWW entries.

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4.3 INCOME

[View History](#)

4.3.1 INCOME (GENERAL)

7 CFR 273.9(a)

Participation in FoodShare is limited to those food units whose income is determined to be a substantial limiting factor in permitting them to obtain a more nutritious diet. Income is any gain or benefit that can be used to purchase goods and services.

Income of a non-food unit member is not budgeted as income for the food unit. This is true whether the income is earned or unearned. If the income of a non-food unit member is directly deposited into an account jointly owned by a food unit member, it is counted as unearned income for the food unit.

Example 1: Sam and Betty are receiving FoodShare benefits. Sam is a reservist in the army and has been called to active duty in a noncombat zone. He will be living away from Betty. He will now receive army pay which will be direct deposited into a joint account that Sam and Betty share. Sam's income will be budgeted as unearned income to the food unit.

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[View History](#)

4.3.2 EARNED INCOME

[4.3.2.1 Counted Earned Income](#)

[4.3.2.2 Disregarded Earned Income](#)

Earned income is gained from the performance of service, labor, or work. Earned income includes, but is not limited to salaries, wages, commission, tips, or payments for

services. Count earned income only for the month in which it is received, except when the average number of payments increases due to mailing cycle adjustments.

Note: Occasionally, a regular periodic payment (e.g., wages, Title II, or VA benefits) is received in a month other than the month of normal receipt. As long as there is no intent to interrupt the regular payment schedule, consider the funds to be income in the normal month of receipt.

Example 1: Bill works in February but does not receive his pay for those hours until March. Count those wages for March.

Food units receiving income on a recurring monthly or semi-monthly basis shall not have their monthly income varied merely because of changes in mailing cycles or because weekends or holidays cause additional payments to be received in a month.

Example 2: Jim receives his military pay on the 1st and 15th of each month. If Jim's payday for the following month is a holiday or falls on a weekend, he is paid on the last preceding business day. This may result in Jim receiving three paychecks in one month. In this situation, only two paychecks per month should be budgeted for Jim.

4.3.2.1 Counted Earned Income

Count the following sources of income as earnings in the month received:

1. Wages, tips, or salaries, including but not limited to hourly wages and piecework
2. Self-employment earnings ([4.3.3](#))
3. Recurring profit sharing payments
4. Wages withheld at the request of the employee as income in the month it would normally have been received
5. Advances on wages
6. Any money received for accrued sick days and severance pay from an employer
7. Any money received as payment for baby-sitting or [child](#) care as self-employment income if the care is provided in the food unit's home. If a self-employed child care provider also provides meals, they may be entitled to income deductions ([8.1.3](#)). If the care is not provided in the food unit's home, count the payments as regular earned income.
 - a. Any child care payment paid by an outside source to a food unit member is treated as earned income. In situations when a food unit member pays another food unit member from his or her own pocket, such child care payments are not counted as earned income because the money is moving between food unit members.
8. Attendant care payments provided by an outside source are treated as earned income for the attendant if the care is for a disabled food unit member
9. Money received from the sale of a person's blood or plasma

10. Any training allowance from a vocational or rehabilitative program recognized by a governmental agency that is not an expense reimbursement, unless the source is listed as an exception in Section [4.3.2.2](#).
11. Earnings from [WIA](#) On The Job Training when the earner is either:
 - a. At least 19 years old; or,
 - b. Less than 19 years but not under the [parental control](#) of a member of the same food unit.

Note: see [# 9 in 4.3.2.2](#) for WIA work experience

12. **Military Pay.** Military pay cycles affect how income is counted. Count any income received on the last day of a month by an active member of the military as income in the following month. Some military personnel are eligible for a supplemental payment if they meet the FoodShare gross income limits. The FSSA allowance is considered gross earned income and is to be budgeted like other military income. However, it appears on a different line on the military paycheck.

13. **Contractual Pay.** Contractual income that is the food unit's annual income (intended to provide support for the entire year), and is not paid on an hourly or piece work basis, should be prorated over 12 months. Contractual income that is not the food unit's annual income (intended to provide support for the food unit for only a portion of the year), and is not paid on an hourly or piece work basis, shall be prorated over the period the income is intended to cover.

Example 3: Joe works for public school as a Teacher's Aide. Joe's worked there for the last three years and receives a 9 ½ month contract every August. He earns \$13,480.50 annually. He lives off his salary as a Teacher Aid for the full year and does not supplement his income during the summer. Average his income over 12 months =\$1,123.40.

Example 4: Nancy works for the public school as a nurse part-time. She receives a contract for 9 ½ months every August. In the summer she supplements her income with a job at the Girl Scout campgrounds in the first aid tent. Average Nancy's school income over 9 ½ months because her contract income is not her annual income.

Income from piecework or hourly work is not contractual income. Do not treat it as such.

14. [Migrant](#) Farm Worker Income

To determine migrant farm income:

- a. Request a copy of any existing work agreement,
- b. Contact the employer when necessary to find the hours of work and wage rate,
- c. Ask the migrant how many hours he or she and members of his or her family expect to work and the wage rate they expect to be paid.

Most migrants work in fairly stable work environments such as canning factories or under some type of contract. In these cases, determine the employer's usual pay levels and pay periods, and project the hours and the rate of pay expected. Do not assume, without supporting documentation or collateral contacts that a migrant farm worker works 40 hours a week.

If the earnings received by the migrant worker are from employment other than agricultural income, it will be budgeted in the normal procedure on CWW Employment screens. Normal procedures are also used for all unearned income and assets.

15. All [W-2](#) Wisconsin Works Trial Job wages.
16. All Subsidized Private Sector Employment (SPSE) income.
17. All Transitional Jobs Demonstration Project (TJDP) income.

4.3.2.2 Disregarded Earned Income

Disregard means "do not count." When you are calculating the total amount of income a person has received, you should exempt or exclude any of the following kinds of income:

Disregard the following sources of income:

1. Wages withheld as a general practice by an employer (even if in violation of law) until actually received by the employee
2. Earned Income Tax Credit ([EITC](#)) payments
3. Earned income of any person 17 years or younger, who is a food unit member under parental control of an [adult](#) food unit member and is enrolled in an elementary, high school, technical school, or university. This includes GED classes, and home schools recognized or supervised by the state or local board of education. Disregard the income until the month following the month in which the person turns 18 years of age. These provisions apply to semester and vacation breaks provided the student plans to return to school following the break.
4. Reimbursements or flat allowances for job or training related expenses. Expenses may be for travel, daily allowance, dependent care, uniforms, and transportation to and from a job or training site, including travel expenses of migrant workers.
5. Reimbursements for a volunteer's out-of-pocket expenses incurred in the course of his or her volunteer activities.
6. Income from Title I of the Domestic Volunteers Services Act only when the volunteer received FoodShare at the time he or she joined the Title I program. Interruptions in FoodShare participation do not alter this disregard. Some individuals were receiving the disregard for a Title I program at the time of conversion to the Food Stamp Act of 1977. Continue the disregard for the same time frame they said they would volunteer for at the time of conversion. If these exceptions do not apply, count Title I income as earned income.

Title I programs include:

- a. AmeriCorps* [VISTA](#)
 - b. University Year for Action
 - c. Urban Crime Prevention Program
7. All Title II program income. These programs include:
- a. Retired Seniors Volunteer Program (RSVP)
 - b. Foster Grandparents Program
 - c. Senior Companion Programs
8. Income from the Title V Senior Community Service Employment Program (SCSEP) of the Older Americans Act. Organizations that receive Title V include, but are not limited to, the:
- a. Experience Works Program.
 - b. National Council on Aging.
 - c. National Council of Senior Citizens.
 - d. American Association of Retired Persons.
 - e. U.S. Forest Service.
 - f. National Council on Black Aging.
 - g. National Urban League.
 - h. National Association for Spanish Speaking Elderly.
9. WIA work experience: Any allowances, earnings (except On The Job Training) or payments to food unit members participating in WIA programs, including Jobs Corps and YouthBuild. Only count earnings from WIA On The Job Training when the earner is either:
- a. At least 19 years old; or,
 - b. Less than 19 years but not under the parental control of a member of the same food unit.
- Note:** see [# 11 in 4.3.2.1](#) for WIA OJT.
10. On The Job Training payments from the JTPA Summer Youth Employment and Training Program.
11. Allowances, earnings, and payments to participants in the **National & Community Service Trust Act of 1993 (NCTSA)**. Programs included in this act are:

AmeriCorps Network of Programs - The network of programs developed to engage Americans in a year or two of national service in exchange for an education award of \$4,725 per year of completed service.

The AmeriCorps Network of Programs includes:

- AmeriCorps*USA - for participants 17 years and older;
- AmeriCorps - for participants 18 years and older; and
- AmeriCorps*NCCC - for participants 16 to 24 years of age.

See number [6a in 4.3.2.2](#) above, to contrast with AmeriCorps*VISTA which is different.

There is no longer an On the Job Training (OJT) component of AmeriCorps. All AmeriCorps income is exempt for FoodShare benefits.

AmeriCorps programs include:

- Serve-America - The program involves school aged youth in community service, recruits adult volunteers in the schools, and provides service training in elementary and secondary schools.
- Higher Education Innovative Projects - Institutions of higher education integrate service into the curriculum, develop teacher and volunteer training programs, and involve students in community service.
- American Conservation and Youth Service Corps - Teenagers and young adults receive job and skill training, living allowances and scholarships as they provide community service. Special corps members, such as senior citizens, may be included if they provide special skills to the program.
- National and Community Service Programs - Employees are age 17 or older and work full-time or part-time. They received education or housing benefits upon completing their term.

12. Work study by a student enrolled in an institution of higher learning.

13. Repayments - See [4.5.6.7 Earned Income Repayments](#).

14. 2010 Census temporary employment income. The income of permanent census workers is counted as earned income.

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4.3.3 FARMING AND OTHER SELF EMPLOYMENT INCOME

[4.3.3.1 Business Operations](#)

[4.3.3.2 Identifying Farms and Other Businesses](#)

[4.3.3.3 Capital and Ordinary Gains](#)

[4.3.3.4 Rental Income](#)

[4.3.3.5 Averaging Income](#)

[4.3.3.5.1 Part Year Income](#)

[4.3.3.5.2 IRS Tax Forms](#)

[4.3.3.5.3 Worksheets](#)

[4.3.3.5.4 Self Employment Income Report Form \(SEIRF\)](#)

[4.3.3.6 Anticipating Earnings](#)

[4.3.3.6.1 Shelter Expense](#)

4.3.3 Farming and Other Self Employment Income

[4.3.3.6.2 Farm and Self-Employment Expenses - Utilities](#)

[4.3.3.6.3 Self-Employed Child Care Provider](#)

[4.3.3.6.4 Unearned Rental Income](#)

7 *CFR* 273.11(a) and (b)

Self-employment income is earned directly from one's own business rather than as an employee with a specified salary from an employer. Self-employment income is reported to the IRS as farm, self-employment, rental, or royalty income. If it is not reported to the IRS, the IM worker must judge if it is self-employment income. All self-employment income is earned income, except royalty income and some rental income.

Example 1: Pam baby sits for her cousin in her cousin's home. This is regular employment. Pam's cousin is her employer. Linda provides child care in her own home for 3 neighborhood children this is self-employment because Linda is her own employer.

4.3.3.1 Business Operations

A business is operating if it is ready for business, even if there are no sales and no work is being performed. A seasonal business operates in the off season (unless there has been a significant change in circumstances) see [4.3.3.5.2](#) for part year income. A business isn't operating when it can't function in its specific purpose.

Example 2: A mechanic cannot work for four months because of an illness. He or she may claim the business was not operating for those months.

4.3.3.2 Identifying Farms and Other Businesses

Identify a self-employment business by the following criteria:

1. By Organization

It is organized in one of three ways:

- a. A sole proprietorship is an unincorporated business owned by one person.
- b. A partnership exists when two or more persons conduct business. Each contributes money, property, labor, or skills, and expects to share in the profits and losses. Partnerships are unincorporated.
- c. A corporation is a legal entity authorized by a state to operate under the rules of its charter. A corporation:
 - i. Is taxed as an entity rather than its owners being taxed as individuals.
 - ii. Provides only limited liability. Each owner's loss is limited to his or her investment, while each owner of an unincorporated business is also personally liable.

2. By IRS Tax Forms

A self-employed person earning more than \$400 annual net income must file an end-of-year federal tax return. Anyone who owes more than \$400 in taxes at the end of the year must file quarterly estimates.

3. By Employee Status

A self-employed person earns income directly from his or her own business, and:

- a. Does not have federal income tax and FICA payments withheld from a paycheck.
- b. Does not complete a W-4 for an employer.
- c. Is not covered by employer liability insurance or worker's compensation.
- d. Is responsible for his or her own work schedule.

Examples of self-employment are:

- a. Businesses that receive income regularly, for example, daily, weekly, or monthly, such as - merchant; small business; commercial boarding house owner or operator; owner of rental property
- b. Service businesses that receive income frequently and, possibly sporadically, such as - craft persons; repair persons; franchise holders; commission sales persons (door-to-door sales, delivery, etc.); subcontractors; sellers of blood and blood plasma.
- c. Businesses that receive income seasonally, such as - summer or tourist oriented business; seasonal farmers; custom farm machine operators; *migrant* farm work crew leaders; fishers, trappers, or hunters; roofers
- d. Farming, including income from cultivating the soil or raising or harvesting agricultural commodities, earned by full-time, part-time or hobby farming.
- e. Fishing with gross annual proceeds or expected income of \$1,000 or more.

4.3.3.3 Capital and Ordinary Gains

The IRS uses different tax rates for capital and ordinary gains from selling assets.

However, include the entire gain or loss from IRS form 4797 as earned income for food units who have an ongoing self employment business. When self employment is terminated and the business is sold, the sale of property essential to self-employment is considered an asset and therefore excluded.

4.3.3.4 Rental Income

7 CFR 273.9(b)(1)(ii)

Rental income is earned if the owner actively manages the property on an average of 20 or more hours a week. See [4.3.4.1 Unearned Income](#) if the person manages the property less than 20 hours a week.

Include gross receipts minus allowable business expenses as earned income. Tax Forms 1040 C or E are used to determine rental income. Use that income recorded on the tax forms plus the principal paid if using tax form E to estimate future income. If the

4.3.3 Farming and Other Self Employment Income

applicant/member has not completed a schedule C or E tax form, use the following method to calculate earned income.

- a. When the owner is not an occupant, "net rent" is the total rent payment(s) received minus the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance and taxes.
- b. When income is received from a multi-unit property and the owner lives in one of the units, compute "net rent" as follows:
 - i. Step 1: Add the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance and taxes common to the entire operation.
 - ii. Step 2: Multiply the number of rental units by the total in Step 1.
 - iii. Step 3: Divide the result in Step 2 by the total number of units, to get the proportionate share.
 - iv. Step 4: Add the proportionate share in Step 3 to any operating costs paid that are unique to the rental unit. This equals total expenses.
 - v. Step 5: Subtract total expenses in Step 4 from gross rent payments to get net rent.

Example 3: Jena owns an apartment building with 10 units. She lives in one of them and charges \$700 in rent per month for the other 9 units.

Step 1: The total mortgage and operational expenses are \$50,000 per year.

Step 2: Multiply \$50,000 (in Step 1) x 9 units = \$450,000

Step 3: Divide \$450,000 (in Step 2) by 10 units = \$45,000 proportionate share

Step 4: One of the rental units needed a new dishwasher at a cost of \$400, add to proportionate share in Step 3

$\$45,000 + \$400 = \$45,400$ in total expenses

Step 5: Calculate gross rent by multiplying the number of units by the monthly rent by 12.

$9 \times \$700 \times 12 = \$75,600$ in gross rent

Subtract total expenses in Step 4 from gross rent

$\$75,600 - \$45,400 = \$30,200$ net rent

4.3.3.5 Averaging Income

Average self-employment income represents a food unit's yearly income over a 12-month period, even if the income is received within only a short period of time during those 12 months.

Example 4: A hot dog vendor works from April through October and uses the income for living expenses for the entire year. Average the income over a 12 month period.

4.3.3.5.1 Part Year Income

Average self-employment income that is intended to meet the food unit's needs for only part of the year, over the period of time the income is intended to cover.

Example 5: A landscaper works from May through the end of August and supplements this income with other sources during the rest of the year. Average his self-employment income over a four-month period rather than a 12-month period.

4.3.3.5.2 IRS Tax Forms

Use IRS tax forms to average income only if:

1. The business was in operation at least one full month during the previous tax year,
2. The business has been in operation six or more months at the time of the application, and
3. The person does not claim a significant change in circumstances since the previous year.

If all three conditions are met, and the tax forms are not complete, ask the applicant/member to either complete the appropriate tax form(s) or have the applicant/member complete one self-employment income report form (*SEIRF*) for the previous year's circumstances. Completing the form(s) is solely the applicant/member's responsibility.

4.3.3.5.3 Worksheets

To calculate self-employment income, use the self-employment income worksheets to adjust the income figure on the IRS tax forms. The worksheets identify net income and depreciation. Add back in depreciation on the IRS form as indicated on the worksheet.

For each operation, select the worksheet needed. Use the provided tax forms and/or schedule, to complete the worksheet.

The worksheets are:

1. [Sole Proprietor](#) (F-16037)
 - a. IRS Schedule C, Form 1040: Nonfarm Business Income
 - b. IRS Schedule F, Form 1040: Farm Income
 - c. IRS Form 4797: Capital & Ordinary Gains
2. [Partnership](#) (F-16036)
 - a. IRS Form 1065: Partnership Income
 - b. IRS Schedule K-1, Form 1065: Partner's Share of Income
3. [Corporation](#) (F-16034)
IRS Form 1120: Corporation Income
4. [Subchapter S Corporation](#) (F-16035)
 - a. IRS Form 1120S: Small Business Corporation Income
 - b. IRS Schedule K-1, Form 1120S: Shareholder's Share of Income

4.3.3 Farming and Other Self Employment Income

Disallowed Expenses

Some specific expenses that are not allowed in the calculation of Self Employment Income for FoodShare are:

1. Depreciation
2. Net loss carryover from previous periods (long term capital loss)
3. Federal, state, and local income taxes
4. Charitable donations
5. Work-related personal expenses, such as transportation to and from work
6. Employer work-related personal expenses such as pensions, employee benefit and retirement programs and/or profit sharing expenses (Business expenses for employees' pensions, benefits, retirement programs, and profit sharing expenses are allowable, but the work-related personal expenses of the employer are not).
7. Amortization and depletion
8. Guaranteed payments to partners

Next, divide self-employment income by the number of months the business was in operation, including partial months, during the previous tax year. The result is monthly income. Add this to the food unit's other earned. If monthly income is a loss, add zero to the income.

When a food unit has more than one self-employment operation, the losses of one can offset the profits of another. Do not use losses from self-employment to offset other earned or unearned income.

Exception: Offset farm income losses with any other countable income only if the farmer received or anticipates receiving annual gross proceeds of \$1,000 or more from the farm operation.

If more than one worksheet is used because there is more than one operation, combine the result of each worksheet into one monthly self-employment income amount. Then add that total to any other income. A salary or wage paid to a food unit member is an allowable business expense, but included in the earned income of the payee. Next, divide self-employment income by the number of months the business was in operation, including partial months, during the previous tax year. The result is monthly income. Add this to the food unit's other earned. If monthly income is a loss, add zero to the income.

4.3.3.5.4 Self-Employment Income Report Form (SEIRF)

The SEIRF simplifies reporting income and expenses when earnings must be anticipated. The applicant/member must enter previous and/or expected income information on the SEIRF to determine an average. Budget this average prospectively.

Use it to report income for any type of business. If the SEIRF is not completed, ask the applicant/member to complete it. Do not fill out the SEIRF yourself.

Note: IM workers should request a SEIRF if the applicant/member does not file taxes or does not have the most recent tax forms available.

Tip: Farm operators may find it easier to complete the IRS tax form when income and expenses are more complex.

4.3.3.6 Anticipating Earnings

Calculate self-employment income based on anticipated earnings when:

1. The business was not in operation for at least one full month in the prior tax year;
2. The business has not been in operation for six or more months at the time of the application; **or**
3. Past circumstances do not represent the present.

Examples of changed circumstances are:

1. The start of a business.
2. The owner sold a part or all his business.
3. The owner is ill or injured and will be unable to operate the business.
4. There's a substantial cost increase causing less profit for each unit sold.
5. Sales are consistently below previous levels beyond normal sales fluctuations.
6. The business is consistently earning above previous levels beyond normal fluctuations.

Changes are effective according to the normal prospective budgeting cycle. The date of an income change is the date the IM worker agrees a significant change occurred. The IM worker must judge whether the person's report was timely to decide any over or underpayment.

Self-employment income, by its very nature is somewhat uncertain. Use of SEIRFs and/or IRS forms to determine monthly average income takes this into consideration.

When a new self-employment business is reported or when a change in circumstance occurs and the past circumstances no longer represent the present, recalculate self-employment income:

1. When **six or more months** of actual self-employment information is available, calculate monthly average self-employment income using at least six months of prior earnings beginning from the date self employment began or the date of the significant change.
2. When **two or more full months** of actual self-employment income information is available, use all of the actual income available to establish a monthly net income amount. See example 5.
3. When **at least one full month but less than two full months** of actual self-employment income information is available, calculate a monthly average net income amount using the actual net income received in any partial month of

4.3.3 Farming and Other Self Employment Income

operation, the one full month of operation and an estimate of net income for the next month. See example 6.

4. When there is **less than one full month of actual income** information available, calculate a monthly average net self-employment income using the actual net income received in the partial month (since the change in circumstance occurred) and estimated income and expenses for the next two months. See example 7.

Use the average until the person's next renewal or if a significant change in circumstances is reported between renewals.

Example 6: Bonnie applies for FoodShare on April 5, 2007. She reports that she started self-employment in January 2007. The agency uses a SEIRF for January, February, and March to determine the prospective self-employment income estimate for Bonnie's FoodShare certification period (April 2007 - March 2008).

On Bonnie's September SMRF, no change in self-employment income is reported and the IM worker continues to use the average determined at the time of application.

Example 7: Ricardo is applying for FoodShare and Medicaid eligibility on February 5, 2007. He started his self-employment on December 15, 2006. To calculate his prospective self-employment income, he completes a SEIRF for December, January, and February including his actual and expected income and expenses for three months. The IM worker divides this total by three to determine an anticipated monthly average income amount. This amount is used until a change in self-employment is reported, or until Ricardo completes a new application or a renewal.

Example 8: Jenny is a FoodShare member who has been self-employed as a hair dresser since 2002. Jenny's FoodShare certification period is December 2006 to November 2007. The worker used Jenny's 2005 tax return to establish a monthly income amount.

In March 2007 Jenny reports that she has been unable to work since breaking her arm on February 17. She is not sure when she'll be able to return to work, but it will not be until at least May. The worker has Jenny complete a SEIRF for February 17-February 28 (actual income since the change in circumstance occurred) and for March and April using the best estimate of income to establish her prospective self-employment income. The worker will use these three months to determine a prospective self-employment income estimate for the remainder of the certification period. Jenny does not need to submit any additional SEIRFs.

4.3.3.6.1 Shelter Expense

If the food unit claims the total shelter costs as a business expense, do not allow any shelter deduction. If a food unit claims a percentage of its shelter costs as a business expense, the remaining percentage is a shelter deduction.

Use IRS form 8829 "Expenses for Business Use of Your Home."

Example 9: Fred, a self-employed farmer, uses 50% of his homeowners insurance and property taxes as a business deduction. His yearly insurance and taxes are \$1,200. Use the remaining \$600 as a shelter deduction. Prorate the \$600 over 12 months.

4.3.3.6.2 Farm and Self-Employment Expenses - Utilities

A self-employed food unit is allowed the full heating standard utility allowance (HSUA), if otherwise eligible for it, regardless of the percentage of utility expense claimed on the taxes for business use of the home.

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. They may report the actual cost of the meals or they may use the federal standard deductions. Tier 1 applies to food units with income at or below 185% of the FPL income guidelines. Tier 2 applies to all other households.

Rates effective from July 1, 2015-June 30, 2016

Federal Standard Deductions		
Meals	Tier 1	Tier 2
Breakfast	\$1.32	\$0.48
Lunch or Supper	\$2.48	\$1.50
Supplement (snacks)	\$0.74	\$0.20

4.3.3.6.4 Unearned Rental Income

If someone receives rental income but does not actively manage the property 20 or more hours a week the income is unearned. See Self-Employment [4.3.3.4](#) if he or she manages the property for at least 20 hours a week.

1. When the owner is not an occupant, "net rent" is the total rent payment(s) received minus the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes.
2. When income is received from a multi-unit property and the owner lives in one of the units, compute "net rent" as follows:

Step 1: Add the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes common to the entire operation.

Step 2: Multiply the number of rental units by the total in **Step 1**.

Step 3: Divide the result in **Step 2** by the total number of units, to get the proportionate share.

Step 4: Add the proportionate share in **Step 3** to any operating costs paid that are unique to the rental unit. This equals total expenses.

Step 5: Subtract total expenses in **Step 4** from **gross** rent payments to get net rent.

Example 10: Jena owns an apartment building with 10 units. She lives in one of them and charges \$700 in rent per month for the other 9 units.

Step 1: The total mortgage and operational expenses are \$50,000 per year.

Step 2: Multiply \$50,000 (in Step 1) x 9 units = \$450,000

Step 3: Divide \$450,000 (in Step 2) by 10 units = \$45,000 proportionate share

Step 4: One of the rental units needed a new dishwasher at a cost of \$400, add to proportionate share in Step 3

$\$45,000 + \$400 = \$45,400$ in total expenses

Step 5: Calculate gross rent by multiplying the number of units by the monthly rent by 12.

$9 \times \$700 \times 12 = \$75,600$ in gross rent

Subtract total expenses in Step 4 from gross rent

$\$75,600 - \$45,400 = \$30,200$ net rent

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4.3.4 UNEARNED INCOME

[4.3.4.1 Unearned Income Introduction](#)

[4.3.4.2 Counted Unearned Income](#)

[4.3.4.3 Disregarded Unearned Income](#)

4.3.4.1 Unearned Income Introduction

7 CFR 273.9(b)(2)

Unearned income is income not gained by work or delivery of a service or product.

Count all unearned income unless it must be disregarded. Some unearned income is disregarded because of source, type, or the reason for which it is received.

Count unearned income as income in the month that it is received, except when:

1. It is not available to the food unit;
2. Specific instructions in this handbook state otherwise; or

3. When two payments from the same income source are received the same month due to mailing cycle adjustments, count each payment only for the month it is intended. Income sources commonly affected by such mailing cycle fluctuations include general assistance, other public assistance programs, SSI, and SSA benefits.

Note: Occasionally, a regular periodic payment (e.g. title II, or VA benefits) is received in a month other than the month of normal receipt. As long as there is no intent to interrupt the regular payment schedule, consider the funds to be income in the normal month of receipt.

4.3.4.2 Counted Unearned Income

1. Tribal TANF payments
2. Interest, dividend, and royalty payments if available to a food unit member. Dividends which the food unit has the option of either receiving as income or reinvesting in a trust or other investment are to be considered as income in the month they become available to the food unit unless exempt under [4.3.4.3. Disregarded Unearned Income](#).
3. Annually paid annuities and lottery winnings. Average these payments over 12-months. Do not count the entire amount in the month received.
4. Net SSI payments
5. Gross Social Security payments less any repayments withheld due to previous overpayments of Social Security benefits. Include any Child Support payments withheld from Social Security payments. This will ensure that Child Support payments are correctly included in the total gross unearned income and correctly budgeted as a Child Support payment deduction.
6. Unemployment Insurance (Unemployment Compensation) payments, except for the \$25 supplemental weekly Unemployment Compensation payment (stimulus payment) authorized by the American Recovery and Reinvestment Act of 2009 (ARRA) for FoodShare. Disregard the stimulus payments effective 11-06-09.
7. Worker's Compensation benefits.
8. VA disability and pension benefits, COLA and other adjustments made to the payments. The adjustments that are excluded are "Aid and Attendant Allowances" referenced in [4.3.4.3 Disregarded Unearned Income](#) below.
9. Private disability payments.
10. Caretaker Supplement for Children (CTS) payments.
11. Child Support (CS) and maintenance payments made directly to the food unit, or passed through to the food unit by a CS agency, whether court ordered or voluntary. However, CS paid to a custodial parent who resides with the non-custodial parent and the child(ren) for whom the CS is paid is not counted as income. Disregard CS payments received directly from an absent parent by a food unit if the money is turned over to the CS agency. Disregard CS payments retained by a CS agency.
12. Child Support and Family Support must be prorated among the members covered by the court order. If a Family Support order includes the custodial

parent, the income proration would also include that parent. Child support is prorated for only the children covered by the court order. Maintenance is budgeted for the person actually receiving it. The most up-to-date information about Child Support and Maintenance is auto populated on the CARES Worker Web Child Support screen.

13. W-2 payments received under W-2T, or CSJ, or as the custodial parent of an infant (CMC)
14. Kinship Care payments are unearned income for the child receiving the payment.
15. Any money received for sick or severance pay from an insurance policy, an income continuance policy, or disability payments from an employer that are not paid as accrued sick, vacation, or personal time. Gross income from these sources is budgeted. Whether or not the income is taxed or untaxed does not determine if the pay is counted as unearned or earned income.
16. Reimbursements for normal household living expenses such as rent, mortgage, personal clothing, and food eaten at home. These are counted because they are a gain or benefit. Include stipends that are part of a financial aid package and are intended as a reimbursement for living expenses.
17. Count a subsidized adoption payment or adoption assistance payment as unearned income.
18. Tribal distribution payments. Income from tribal distributions should be prorated over the period it is intended to cover if it is predictable and regularly received. If the FoodShare assistance group becomes ineligible and then reapplies before receiving their next installment, continue to use the same pro-rated amount as before.

Example 1: Dawn receives \$500 quarterly from the Potawatomi Tribe. The frequency of the payment is regular and the amount is predictable. To calculate the monthly amount to be budgeted prospectively, prorate the amount over the time period intended:
 $\$500/3 = \166.67 per month to be prospectively budgeted.

19. Money withdrawn or dividends that are received or could be received from an otherwise exempt trust fund.
20. Monetary gifts over \$30 a calendar quarter. Calendar quarter: three consecutive months beginning with January, April, July, or October.
21. Income from a land contract. Count any portion of monthly payments received that are considered interest from a land contract as unearned income. Do not count the principal as income, because it is the conversion of one asset form to another. If received less often than monthly, prorate it over the period between payments. Ignore it until he or she first receives it after becoming eligible.
22. Any money received from an installment contract must be:
 - a. Counted as income in the month received, or
 - b. Averaged over the number of months between payments. For example, average a quarterly payment received in January over January, February, and March. The food unit must choose one of the above methods. Document the choice in the case record.

23. If someone receives rental income and the property is managed more than 20 hours per week, see Self-Employment [4.3.3.4](#).

If someone manages the property for less than 20 hours a week, treat the income as unearned and budget as listed below. Include gross receipts minus allowable business expenses as earned income. Tax Forms 1040 C or 1040 E are used to determine rental income. If using Tax Form E, use recorded rental income plus the principal paid, to estimate future income. If the applicant/member has not completed a schedule C or E tax form, use the following method to calculate earned income.

- a. When the owner is not an occupant, "net rent" is the total rent payment(s) received minus the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes.
- b. When income is received from a multi-unit property and the owner lives in one of the units, compute "net rent" as follows:
 - Step 1:** Add the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes common to the entire operation.
 - Step 2:** Multiply the number of rental units by the total in **Step 1**.
 - Step 3:** Divide the result in **Step 2** by the total number of units, to get the proportionate share.
 - Step 4:** Add the proportionate share in **Step 3** to any operating costs paid that are unique to the rental unit. This equals total expenses.
 - Step 5:** Subtract total expenses in **Step 4** from **gross** rent payments to get net rent.

24. Royalty income is unearned income received for granting the use of property owned or controlled. Examples are patents, copyrighted material or natural resources. Royalties often are a percentage of receipts from using the property or an amount for each unit produced.

Royalty and rental income

- a. Royalty income is always unearned.
- b. Rental income is earned only if the owner actively manages the property 20 hours or more per week. CARES will budget self-employment income from rental property as earned income if the property is self-managed 80 or more hours per month. If the monthly hours entered are less than 80, the income will be treated as unearned income even if the self-managed switch is "Y".

Verify unearned rental income using available documentation. It is not necessary to collect Self-Employment Income Report Forms serifs for unearned income.

4.3.4.3 Disregarded Unearned Income

Disregard the following income:

Housing and related income:

1. Disregard rent paid by the Department of Housing and Urban Development (HUD) and Farmer's Home Administration (FMHA) directly to a landlord as income. Do not include these payments as a deduction in the Shelter/Utilities Computation Unit. Only include as a rent expense what the food unit owes to the landlord after the HUD and FMHA payments.
2. Disregard rent paid by HUD to residents in the experimental housing program in Green Bay.
3. Disregard HUD and FMHA utility reimbursement payments made directly to a food unit or utility provider as income.
4. Disregard HUD utility reimbursement payments diverted by a Native American housing authority directly to the utility provider without permission, consent, or agreement of the food unit.
5. Under the Family Investment Centers program, HUD provides grant money to public housing agencies and Indian housing authorities. In turn, they provide access to education and job opportunities to public housing residents.
6. Disregard as income services provided to a public housing resident under a Family Investment Centers program. Services include:
 - a. Child care,
 - b. Employment and training counseling,
 - c. Literacy training,
 - d. Computer skills training,
 - e. Assistance in attaining certificates of high school equivalency, and
 - f. Other similar services.
7. Disregard free rent, no income is counted and no rent deduction is allowed.
8. A tenant may be billed utility expenses for common electrical devices, for the benefit of any number of tenants, but wired through his or her meter. A notice from the landlord identifies that cost and the tenant's reimbursement. Disregard the reimbursement.
9. Income received as a result of participation in the Fresh Start Program.

Employment Training and Education:

1. Educational aid for students is not counted as income.
2. Disregard educational expense reimbursements.
3. Disregard income produced by an educational trust.

Loans:

Disregard as income any loan to the food unit. This includes loans from private individuals and commercial institutions. A legally executed document is not required to verify that income is a loan. A statement signed by both parties is enough to verify the income is a loan, if it contains: the amount of the loan; that the payment is a loan; and that repayment is required.

Medical and Dependent Care:

1. Disregard reimbursements for medical or dependent care. Some examples of medical or dependent care reimbursements that should be disregarded are:
 - a. Reimbursements from the MA Medical Assistance, also known as Medicaid or Title 19 Community Integration Program (CIP).
 - b. Reimbursements from the Alzheimer's Family Caregiver Support Program (AFCSP) and National Family Caregiver Support Program (NFCSP).
2. Disregard dependent care payments as income for a food unit member's care when a county agency:
 - a. Pays a dependent care provider directly,
 - b. Reimburses the food unit after the food unit has incurred or paid a dependent care expense.
2. Disregard payments from the Wisconsin Family Support Program, which assists families by covering medical, dependent and other allowable expenses for in-home support for children with severe disabilities. Payments may be issued in several ways, including by voucher or direct payment to the vendor, or direct payment to the family as a reimbursement for allowable expenses. Do not confuse this program with "family support", a court ordered obligation that combines child support and maintenance.

SSA programs:

1. Disregard reimbursements for services provided by the Social Services Block Grant Program.
2. Disregard retroactive SSI payments which are paid in installments.
3. Retroactive SSI benefits which total 12 months or more of the Federal Benefit Rate (monthly SSI amount) will be paid in three or fewer installments at six month intervals. Each installment payments should be counted as an asset. Retroactive SSI benefits which equal or exceed 12 months of benefits, but which are owed to the following categories of recipients will continue to be received in one lump sum:
 - a. A person who has a medical impairment which is expected to cause death within 12 months.
 - b. A person who is ineligible for benefits and is likely to remain ineligible for the next 12 months.
4. Disregard income of an SSI recipient necessary to fulfill a Plan for Achieving Self Support (PASS) regardless of the source. This income may be spent in accordance with an approved PASS or deposited into a PASS account. The SSA must approve the individual's PASS in writing, identifying the amount of income that must be set aside each month to fulfill the PASS. It is the member's responsibility to report and verify that such income is necessary to fulfill its PASS in order for the income to be disregarded.
5. A *qualified organization* may collect a fee for acting as the representative payee for an SSI or *OASDI* recipient. Disregard the amount withheld from the SSI or OASDI payment as income to the recipient. Reduce the SSI or OASDI amount by the amount withheld instead.

SSI-E

SSI-E income is disregarded income for FoodShare. It is not necessary to determine if a SSI-E payment is being used for its intended purpose in order to disregard the income.

Energy Assistance Program

Disregard payments and allowances made by the Wisconsin's Home Energy Assistance Program (WHEAP).

Community Options Program

Disregard Community Options Program (COP) payments. But if a food unit member is receiving COP payments for providing services, count the money as earned income for providing the service.

Tribal / Native American Payments

1. Disregard all compensation including cash, stock, partnership interest, land, interest in land, and other benefits received from the Alaskan Native Claim Settlement Act.
2. Disregard up to \$2000 per calendar year of income received by an individual Native American which is derived from land held in trust or in restricted status, when determining eligibility and benefit levels.
3. Disregard income from certain sub-marginal land of the US held in trust for certain Indian tribes (PL 94-114, Section 6).
4. Disregard payments to individual tribal members from these federal settlements:
 - a. Grand River Band, Ottawa Indians (PL 94-540).
 - b. Sac and Fox Indians claims agreement (PL 94-89).
 - c. Navajo and Hopi Tribe relocation payments (PL 93-531).
 - d. Confederated Tribes and Band of the Yakima Indian Nation & Apache Tribe of the Mescaler Reservation (PL 95-433).
 - e. Passamaquoddy Tribe, the Penobscot nation, and the Houlton Band of Maliseet (PL96-420), Maine Indian Claims Settlement Act of 1980.
 - f. Turtle Mountain Band of Chippewas, Arizona (PL 97-408).
 - g. Blackfeet & Gros Ventre Tribes, Montana (PL 97-408).
 - h. Papago tribe, Arizona (PL 97-408).
 - i. Assiniboine Tribes of Fort Belknap Indian Community and Fort Peck Indian Reservation, Montana (PL 98-124).
 - j. Red Lake Band of Chippewas (PL 98-123).
 - k. Saginaw Chippewa Indian Tribe of Michigan (PL 99-346).
 - l. Chippewas of the Mississippi including these Minnesota Reservations: Mille Lac, White Earth, and Leech Lake (PL 99-377).
 - m. Chippewas of Lake Superior (PL 99-146, Dockets 18-C & 18-T). This includes the following Wisconsin reservations: Bad River, Lac du Flambeau, Lac Courte Oreilles, Sokaogon Chippewa Community, Red Cliff, and St. Croix.
 - n. White Earth Band of Chippewa in Minnesota (PL 99-264).
 - o. Michigan Keweenaw Bay Indian Community and Minnesota Fond du Lac, Grand Portage, Nett Lake, and White Earth reservations (Dockets 18-S, 18-U, 18-C, & 18-T).
 - p. Puyallup Tribe of Indians Settlement Act of 1989 (PL 101-41).

- q. Catawba Indian tribe of South Carolina Land Payments Claims Settlement Act of 1993.
 - r. 1931 Indian Child Welfare (PL 95-608).
 - s. Seneca Nation Settlement Act of 1990.
 - t. Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act.
 - u. Cherokee Nation of Oklahoma Indians (Docket 262-83LO).
 - v. Cheyenne River Sioux Tribe.
 - w. Crow Creek Sioux Tribe.
 - x. Lower Brule Sioux Tribe.
 - y. Devil's Lake Sioux Tribe.
 - z. Oglala Sioux Tribe.
 - aa. Rosebud Sioux Tribe.
 - bb. Shoshone-Bannock Tribes.
 - cc. Standing Rock Sioux Tribe.
 - dd. Bois Forte Band of the Chippewa tribe under 25 USCS 1407 (PL 106-568).
- 5. Disregard the first \$2,000 of individual shares for the following:
 - a. Old Age Assistance Claims Settlement Act (PL 98-500).
 - b. Yankton Sioux Tribe (Dockets 342-70 & 343-70).
 - c. Peoria Tribe of Oklahoma (Dockets 313, 314-A, & 314-B).
 - d. Maricopa Ak-Chin Indian Community (Dock 235).
 - e. Wichita and Affiliated Tribe (Keechi, Waco & Tawakonie) of Oklahoma (Dockets 371 & 372).
 - f. Ak-Chin, Salt River Pima-Maricopa, and Gila River Pima-Maricopa Indian Communities (Docket 228).
 - g. Rincon Band of Mission Indians (Docket 80-A).
 - h. Walker Paiute Tribe (Docket 87-A).
 - i. Seminole Nation of Oklahoma, Seminole Tribe of Florida, Miccosukee Tribe of Indians of Florida, and Seminole Indians of Florida (Dockets 73, 151, & 73-A).
 - 6. The Claims Resolution Act of 2010 (PL 111-291) Cobell v. Salazar Class Action Trust Case; Exclude all settlement proceeds received.

Child Nutrition Act of 1966 and the National School Lunch Act

Disregard the value of assistance received from programs under the Child Nutrition Act of 1966 and the national School Lunch Act. These are:

- a. Special Milk Program.
- b. School Breakfast Program.
- c. Special Supplemental Food Program for Women, Infants and Children (WIC).
- d. School Lunch Program.
- e. Summer Food Service Program for Children.
- f. Commodity Distribution Program.
- g. Child and Adult Care Food Program.

Disaster and Emergency Assistance Payments

1. Disregard major disaster and emergency assistance payments made by federal, state, county, and local agencies, and other disaster assistance organizations, including National Flood Insurance Program (NFIP).
2. Disregard Emergency Assistance (OPM) or emergency General Assistance when either is given to a migrant or seasonal farm worker food unit if:
 - a. The payment is provided to a third party (vendored) on behalf of the migrant or seasonal farm worker; and,
 - b. The food unit was in the job stream when it was provided.
 2. Disregard disaster unemployment benefits to any individual who is unemployed as a result of a major disaster. Individuals cannot be eligible for any other unemployment compensation and also receive disaster unemployment benefits. Payments are limited to 26 weeks.

Veterans Benefits

Exclude VA aid and attendant and homebound allowances if:

1. The payment is for a past or future expense.
2. The payment is not in excess of the actual expense.
3. The payment is not for a normal household living expense.
4. The payment is used for the intended purpose.

Disregard aid and attendance and housebound allowances received by veterans, spouses of disabled veterans, and surviving spouses.

GI Bill

All military personnel fund the GI bill through mandatory payroll deductions in their first year of service. Disregard these deductions.

Combat Pay

IM workers are required to determine if a military allotment made available to a food unit by an absent member deployed to a combat zone should be excluded when determining eligibility. Disregard any amount of combat zone pay that goes to the food unit that is in excess of the military person's pre-deployment pay. The exclusion lasts while the military person is deployed to the combat area.

If the amount of military pay from the deployed absent family member is equal to or less than the amount the food unit was receiving prior to deployment, all of the allotment would be counted as income to the food unit. Any portion of the military pay that exceeds the amount the food unit was receiving prior to deployment to a designated combat zone should be excluded when determining the food unit's income for FoodShare purposes.

Procedure

Follow these steps in determining how to budget combat zone pay:

1. Ask if the service member is deployed to a combat zone.
2. If the answer is no, verify military pay using a bank record or Leave and Earnings Statements (LES) and clearly document in case comments how income to the food unit was determined and verified.

3. If the answer is yes, verify the service member's pay before deployment to a combat zone and the amount they receive due to being assigned to a combat zone. Leave and Earnings Statements (LES) or bank records can be used to verify this amount.
4. Any portion that is more than the amount the food unit was receiving immediately before deployment to a combat zone is exempt as combat pay.
5. Clearly document in case comments the combat pay source of verification and method used to determine amount to be disregarded and budgeted.

Note: Deployment to a combat zone can be established through a variety of methods including:

1. The deployed person's military pay record, the Leave and Earnings statement (LES).
2. Orders issued to the military person in which the place of deployment is public record.
3. Contacting the Call Center which has a listing of designated combat zones, as well as a listing of pay items which may or may not be the result of deployment to a designated combat zone

Example 2: John, his wife Bonnie and their daughter have an open FoodShare case. John is in the military stationed overseas, his monthly income is \$1,000. John sends his wife \$1,000 every month.

When John is deployed to a combat zone his pay is increased to \$1,300 a month, which is deposited into a joint account. Because the \$300 is combat pay, it is exempt income and not counted in the determination. The pre-combat pay of \$1,000 is budgeted as unearned income for FoodShare .

Example 3: Dori is in the military and receives \$1000 per month in wages. Dori's husband Louie and their son Joe have an open FoodShare and health care case. Dori has her military pay directly deposited into a bank account in her name only; Louie has no access to the funds or to the account. Do not count any of Dori's income in the eligibility determination for Louie and Joe.

Example 4: Ben is in the military. His paycheck is \$1,000 a month. He has \$500 directly deposited into his account and \$500 directly deposited into a joint account with his wife, Andrea. The \$500 directly deposited into the joint account is budgeted as unearned income in Andrea's FoodShare and/or health care determination. Since Andrea does not have access to Ben's account, only the amount deposited in their joint account is counted.

Example 5: Tim is in the military making \$1,200 a month. An allotment check of \$1,000 is paid directly to his wife Karla, and \$200 to himself. \$1,000 is budgeted as Karla's unearned income for her FoodShare and/or health care determination.

Dottie Moore

Disregard as income any penalty payment paid as a result of the Dottie Moore lawsuit by *DHS* (formerly DHSS) to any Aid to Families with Dependent Children (AFDC) applicant or member. These \$50 to \$200 penalty payments have been ordered by the U.S. District Court for the Eastern District of Wisconsin in Civil Action No. 80-C-118.

Victims of Nazi Persecution

Disregard as income payments under PL 103-286 to victims of Nazi persecution.

Payments to Crime Victims

Disregard any payments received from a state established fund to aid victims of a crime.

Agent Orange Settlement Fund

Disregard payments received from the Agent Orange Settlement Fund or any other fund established in settling "In Re Agent Orange Product Liability Settlement Fund litigation MDL No. 381 (EDNY)."

Wartime Relocation of Civilians

Disregard payments under PL 100-383 to US citizens of Japanese ancestry and permanent resident Japanese immigrants or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands West of Unimak Island.

Radiation Exposure Act

Disregard payments from any program under the Radiation Exposure Act (PL 101-426) paid to compensate injury or death resulting from exposure to radiation from nuclear testing (\$50,000) and uranium mining (\$100,000). Apply this disregard retroactively to 10-15-90. Continue the disregard as long as payments are identified separately.

Children of Vietnam Veterans Who Are Born With Spina Bifida

Disregard payments received under the provision of the Benefits for Children of Vietnam Veterans Who Are Born With Spina Bifida (PL 104-204). These payments are made to any child for a Vietnam veteran for any disability he or she experiences resulting from the spina bifida. Apply this disregard retroactively to 9-26-96. Continue this disregard as long as payments are identified separately.

Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970

Disregard reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (PL 92-646, Section 216).

Capital Gains

Disregard capital gains from the sale of a personal asset as income. Profits gained from the sale of an asset continue to be counted as an asset. (See [4.3.3.3](#) for policy related to self-employment).

Reverse Mortgage

Disregard reverse mortgage payments made to homeowners. Reverse mortgage payments are loans against the borrower's home and are considered an asset the month received and thereafter.

Payments to Filipino World War II Veterans

Disregard payments from the Filipino Veterans Equity Compensation Fund. The American Recovery and Reinvestment Act (ARRA) of 2009 created the fund for certain veterans and the spouses of veterans who served in the military of the Government of the Commonwealth of the Philippines during World War II. The compensation fund offers one time payments may be up to \$15,000 to eligible persons.

Unemployment Insurance (Unemployment Compensation, or *UC*) Stimulus Payment

Effective 11-06-09

The \$25 supplemental weekly Unemployment Compensation (UC) payment (stimulus payment) authorized by the American Recovery and Reinvestment Act of 2009 (ARRA) for FoodShare.

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4.4 ASSETS

[View History](#)

4.4.1 ASSETS

[4.4.1.1 Introduction](#)

[4.4.1.2 Jointly Owned by Different Food Units](#)

[4.4.1.3 Jointly Owned by Same Food Unit](#)

[4.4.1.4 Disregarded Assets](#)

[4.4.1.5 Liquid Assets](#)

[4.4.1.6 Divestment](#)

[4.4.1.6.1 Period of Ineligibility](#)

CFR 273.8

4.4.1.1 Introduction

Non *EBD* Households

Assets are not included as part of the FoodShare eligibility determination and are not required to be verified since all FoodShare applicants and recipients are authorized to receive a *TANF*-funded service. All FoodShare applicants and members are categorically eligible for FoodShare ([4.2.1](#)). The amount of available liquid assets must be reported at the point of initial application to determine eligibility for priority service and expedited issuance.

EBD Households

However, effective July 1, 2010, food units that include an Elderly, Blind, and Disabled (EBD) member are tested against the 200% FPL gross income limit as a condition of eligibility for Broad Based categorical eligibility. If this household with an EBD member is over 200% FPL the IM workers must apply regular FoodShare rules to determine if the applicant/member meets the net income (100% FPL) and asset test.

The remainder of this section applies only to food units with an EBD member whose gross income exceeds 200% FPL.

Equity value

Count the equity value of non-exempt assets. Equity value is the fair market value (FMV) minus any encumbrances against the asset. *Disregard* the equity value of exempt assets.

Separate and Mixed Assets

Disregard exempt assets kept in a separate account, or in an account with other exempt assets.

If an asset is in an account mixed with countable assets, disregard the exempt assets for one of these periods:

1. For six months from the date the exempt asset was mixed with the countable assets.
2. If an exempt asset is money that has been prorated as income, exempt it only for the period over which it has been prorated. After that period expires, count the remaining asset. Self-employment, or farm income are examples of prorated income.

Jointly Owned Accounts

A joint account is:

1. A deposit of funds (savings, checking, share and NOW accounts, certificates of deposit, and similar arrangements), made with,
2. A financial institution (such as a bank, savings and loan, credit union, or insurance company), where,
3. The holders have equal access to the funds.

Jointly held accounts in a state regulated financial institution are accessible to all holders of the account. The food unit has access to the joint account, with the exceptions below.

Do not assume that a jointly held account is accessible if it is:

1. Established for business, charitable, or civic purposes.

2. A trust or restricted account. The person named as holder has no or limited access to the funds.
3. A special purpose account. A special purpose account has at least one holder acting as the power of attorney, guardian, or conservator for another account holder(s).

4.4.1.2 Jointly Owned by Different Food Units

Unless excepted below, *deem* the full value of assets owned jointly by separate food units to each food unit.

Example 1: An asset worth \$600 is owned by three persons in the same household. Two are in the same food unit and the third is in another unit. Deem the asset's full value of \$600 to each food unit. In the food unit with two owners, deem \$300 to each owner.

If a food unit jointly owns an asset and shows:

1. The asset is not available to it, do not count the asset's value for that food unit.
2. It has access to only a portion of the asset, count only that portion's value as an asset for that food unit.

A jointly owned asset is unavailable to a food unit when:

1. It cannot practically be subdivided; and,
2. The food unit's access to its value depends on the willingness of a joint owner who refuses access.

4.4.1.3 Jointly Owned by Same Food Unit

When the joint owners of an asset are in the same food unit, deem each an equal share of the asset's total value. This avoids counting more than the asset's actual value.

Example 2: Three food unit members own an asset valued at \$600. Assigning full value to each holder would give the food unit \$1800 (3 x \$600). Only \$600 is actually available. To avoid this, give each food unit member an equal share or \$200. The food unit's total is now the asset's actual \$600 value.

If only two food unit members are FoodShare assistance group members, each contributes \$200 to the group's assets. This is a total contribution of \$400 from group members. Determine why the other food unit member is not in the FoodShare assistance group. This will determine if the \$200, or a portion of it, is deemed to the group.

4.4.1.4 Disregarded Assets

Disregard means "Do not count." Other terms meaning disregard are "exempt" or "exclude". Disregard the following assets:

Unavailable Assets

Unavailable assets are:

1. Assets inaccessible to the food unit because they are unknown to the food unit. The assets become available assets the day the food unit becomes aware of them.
2. Non-exempt assets that the owner cannot make immediate use of.
3. Assets that a food unit is unable to sell for any significant return because the food unit's interest is relatively slight or because the costs of selling the food unit's interest would be relatively great.

"Significant return" means any return, after estimating costs of sale or disposition and taking into account the ownership interest of the food unit, that the local agency determines are more than \$1500. This does not apply to financial instruments such as stocks, bonds, and negotiable financial instruments.

Examples of unavailable assets are:

1. Some irrevocable trust funds.
2. Property and goods in probate.
3. Security deposits for rental property or utilities.
4. Some gifts.
5. Some items in a collection.
6. Non-liquid assets that have a lien on them as security for a loan. The purpose of the loan must be to produce income. It cannot be for the purchase of the asset against which the lien is in effect.

The lien agreement must prohibit selling the asset until the lien is satisfied. Non-liquid assets include land, crops, buildings, timber, farm equipment, and machinery.

Example 3: A farmer borrows from a bank to buy a new dairy bulk tank by allowing a lien on his corn crop. The value of the corn crop is unavailable until the lien is removed by satisfying the loan.

Example 4: Sue Jones has an IRA with a \$4500 balance. She provides verification that it will take 30 days to close the account, and because of penalties and taxes, the amount she will receive is \$3150. The asset is not counted at application because it is not immediately available. However, after 30 days \$3150 will be considered available. The asset will be considered available regardless of whether or not Sue chooses to withdraw the funds.

Self-Employment or Business Assets

Self-employment or business assets are generally income producing property. Exclude assets directly related and essential to producing goods or services.

Real Property

Disregard all real property, regardless of whether it is homestead property or not. A home is any dwelling place intended for human habitation. All real property including homestead property is excluded as an asset.

Vehicles

Disregard all vehicles.

Land Contracts

Disregard land and installment contracts for land or a building if the contract produces income consistent with its FMV.

Installment Contracts

Disregard the value of property sold under an installment contract or held as security in exchange for a purchase price consistent with its FMV. This includes the sale of any property or building, if the terms of the installment contract provide a purchase price consistent with the property's FMV.

Disaster Payments

Disregard any governmental payment designated to restore a home damaged in a disaster. Apply this exemption if the food unit is subject to a legal sanction if the funds are not used as intended.

Disregard any payments to farmers for a farm emergency caused by a natural disaster. The *USDA* determines if a farm emergency exists.

Personal Goods & Property

Disregard household goods and personal effects, such as home appliances, furniture, and clothes.

Burial Plot

Disregard one burial plot for each food unit member.

Pre-Paid Funeral Agreements

Disregard the value of one bona fide pre-paid funeral agreement per food unit member, up to \$1,500 in equity value. Count the available value above \$1,500.

Retirement Accounts

Exclude the following:

- 401 (Traditional Defined- Benefit Plan).
- 401(a) plans: Employer sponsored retirement plans, including Cash Balance Plans, Employee Ownership Plans, Money Purchase Pension Plans, and Profit Sharing Plans.
- Keogh Plans.
- 401(k) plans: Generally a cash-or-deferred arrangement, including Simple 401(k) plans.
- 403(a): Employee Retirement Annuities.

- 403(b): Tax-sheltered annuities provided for employees of tax-exempt organizations and State and local educational organizations.
- 408: Individual Retirement Accounts (IRAs).
- 408(a): Roth IRAs.
- 408(p): Simple Retirement Account IRAs.
- 408(k): Simplified Employee Pension Plans.
- 457(b): Retirement plans for local governmental and certain non-governmental, tax-exempt employers.
- 501(c) (18): Exemption from tax on corporations that have trusts created before 6-25-1959 forming part of a plan providing benefit payments under a pension plan funded by employees.
- Federal Employee Thrift Savings Plan.

Trust Funds

Count funds in a trust and any income produced by the trust. Disregard the funds only if **all** of these conditions exist:

1. The trust arrangement is not likely to end.
2. The trustee administering the funds is either:
 - a. A court, institution, corporation, or organization under neither the direction or ownership of any household member; **or**
 - b. Someone, not in the food unit, but appointed by a court with court imposed limits on his or her use of the trust's funds.
3. Trust investments made for the trust do not directly involve or assist any business or corporation under the control, direction, or influence of a food unit member.
4. The funds are held in irrevocable trust and are either established from:
 - a. The funds of someone not in the food unit.
 - b. The food unit's funds, if the trustee uses the fund solely for investments on behalf of the trust or to pay educational or medical expenses for anyone named by the food unit creating the trust.

Money Prorated as Income

A food unit member may have deposited money into an account from self-employment or farming. Prorate this money as income.

Disregard money prorated as income as an asset when it is being counted as income. When it is no longer prorated as income, count it as an asset.

Tools and Other Work Related Equipment

Disregard the value of tools or other equipment essential to the employment or self-employment of a food unit member. Examples of essential tools are those of a mechanic, plumber, or other tradesperson, or a farmer's machinery

Relocation Payments

Disregard payments from the Uniform Relocation Assistance and Real Properties Acquisition Act of 1970.

Nutrition Benefits

Disregard the value of assistance received from programs under the *Child* Nutrition Act of 1966 and the National School Lunch Act. These are:

1. Special Milk Program
2. School Breakfast Program
3. Special Supplemental Food Program for Women, Infants and Children ([WIC](#))
4. School Lunch Program
5. Summer Food Service Program for Children
6. Commodity Distribution Program
7. Child and [Adult](#) Care Food Program

LIHEAP

Disregard all payments provided by the Low Income Home Energy Assistance Program (LIHEAP) or Wisconsin Home Energy Assistance Program (WHEAP).

HUD

Disregard payments from the Department of Housing and Urban Development (HUD) settling the Underwood v. Harris judgment against HUD (Civil No. 76-0469, DDC).

These payments are for retroactive tax and utility cost subsidies. Disregard them for the month in which the payment is received and the following month. Thereafter, count any remaining amount as an asset.

Wartime Relocation of Civilians

Disregard payments under PL 100-383 to U.S. citizens of Japanese ancestry and permanent resident Japanese immigrants or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands West of Unimak Island.

Alaskan Native Claims

Disregard payments including cash, stock, partnership interest, land, interest in land, and other benefits from the Alaskan Native Claims Settlement Act (PL 92-203).

Native American Settlements

Disregard payments to individual tribal members from these federal settlements:

1. Grand River Band, Ottawa Indians (PL 94-540).
2. Sac and Fox Indian claims agreement (PL 94-189).
3. Navajo and Hopi Tribe relocation payments (PL 93-531).
4. Confederated Tribes and Bands of the Yakima Indian Nation & Apache Tribe of the Mescalero Reservation (PL 95-433).
5. Passamaquoddy Tribe, The Penobscot Nation, and the Houlton Band of Maliseet (PL 96-420), Maine Indian Claims Settlement Act of 1980.
6. Turtle Mountain Band of Chippewas, Arizona (PL 97-403).
7. Blackfeet & Gros Ventre tribes, Montana (PL 97-408).
8. Papago tribe, Arizona (PL 97-408).

9. Assiniboine Tribes of Fort Belknap Indian Community and Fort Peck Indian Reservation, Montana (PL 98-124).
10. Red Lake Band of Chippewas (PL 98-123).
11. Saginaw Chippewa Indian Tribe of Michigan (PL 99-346).
12. Chippewas of the Mississippi including these Minnesota reservations: Mille Lac, White Earth, and Leech Lake (PL 99-377).
13. Chippewas of Lake Superior (PL-94-146, Dockets 18-C & 18-T). This includes the following Wisconsin reservations: Bad River, Lac du Flambeau, Lac Courte Oreilles, Sokaogon Chippewa Community, Red Cliff, and St. Croix.
14. White Earth Band of Chippewas in Minnesota (PL 99-264).
15. Michigan Keweenaw Bay Indian Community and Minnesota Fond du Lac, Grand Portage, Nett Lake, and White Earth reservations (Dockets 18-S, 18-U, 18-C, & 18-T).
16. Seneca Nation Settlement Act of 1990 (PL 101-503).
17. Catawba Indian Tribe of South Carolina Land Claims Settlement Act of 1993.
18. 1931 Indian Child Welfare (P.L. 95-608).
19. Puyallup Tribe of Indians Settlement Act of 1989 (PL 101-41).
20. Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act.
21. Cherokee Nation of Oklahoma Indians (Docket 262-83LO).
22. Cheyenne River Sioux Tribe.
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27. Rosebud Sioux Tribe.
28. Shoshone-Bannock Tribes.
29. Standing Rock Sioux Tribe.
30. Bois Forte Band of the Chippewa tribe under 25 USCS 1407 (PL 106-568).

Disregard the first \$2,000 of individual shares for the following:

1. Old Age Assistance Claims Settlement Act (PL 98-500).
2. Yankton Sioux Tribe (Dockets 342-70 & 343-70).
3. Peoria Tribe of Oklahoma (Dockets 313, 314-A, & 314-B).
4. Maricopa Ak-Chin Indian Community (Docket 235).
5. Wichita And Affiliated Tribe (Keechi, Waco & Tawakonie) of Oklahoma (Dockets 371 & 372).
6. Ak-Chin, Salt River Pima-Maricopa and Gila River Pima- Maricopa Indian Communities (Docket 228).
7. Rincon Band of Mission Indians (Docket 80-A).
8. Walker Paiute Tribe (Docket 87-A).
9. Seminole Nation of Oklahoma, Seminole Tribe of Florida, Miccosukee Tribe of Indians of Florida and Seminole Indians of Florida (Dockets 73, 151, and 73-A).

Earned Income Tax Credit (EITC)

Disregard any Earned Income Tax Credit (EITC) payments received by participating food unit members for 12 continuous months from the month of receipt. If there is a break of one day or more, count the remaining EITC as an asset.

Example 5: John, a FoodShare member, received a \$1,000 EITC lump sum payment in January and deposited it in his savings account. On March 31, he is ineligible for benefits for failure to complete a renewal. On April 3, he reapplies for FoodShare and is found eligible. Count any remaining amount of the \$1,000 EITC payment as an asset.

IDA Program

Disregard total Individual Development Account (IDA) balances as assets if it is an account funded under TANF (Community Reinvestment) or the Assets for Independence Act (AFIA).

Wisconsin Sales Tax

The one-time rebate payment of WI sales taxes in January 2000 should be counted as an asset in the month of receipt.

Wisconsin Higher Education Bonds

Wisconsin Higher Education Bonds are sold by the state to the public as a way to save for a higher education. To determine their net value as an asset, subtract broker's fees from market value.

1. The bonds also may be sold back to the state within certain time restraints. If the bonds are sold back:
 - a. Before the maturity date, a portion of their value is withheld. The amount withheld equals the school's tuition and fees. Any excess goes to the person.
 - b. On or after the maturity date, the value is the total amount received.
2. The bonds may be sold on the "secondary" bond market at any time. Since they can be disposed of on the market with no time limit, they are an available asset. Compute net value as: market value - broker's fees. (Verify the amounts through a broker.)

Agent Orange Settlement Fund

Disregard payments received from the Agent Orange Settlement Fund or any other fund established in settling "In Re Agent Orange product liability Settlement Fund litigation, M.D.L. No. 381 (E.D.N.Y.)" as assets. Continue to disregard the payments for as long as they are identified separately. Apply this disregard retroactively to 1-1-89.

Radiation Exposure Compensation Act

Disregard payments from any program under the Radiation Exposure Act (PL 101-426) paid to persons to compensate injury or death resulting from exposure to radiation from nuclear testing (\$50,000) and uranium mining (\$100,000). When the affected person is deceased, payments are made to the surviving *spouse*, children, parents, or grandparents of the deceased. The federal DOJ makes the payments. Continue to

disregard the payments for as long as they are identified separately. Apply this disregard retroactively to 10-15-90.

Life Insurance

Disregard the cash value of any life insurance policies.

Crime Act of 1984

Disregard payments to crime victims under the Crime Act of 1984.

Veteran's Administration Disability Pension Payments

Disregard the annual adjustment in a **VA** disability pension as an asset in the month the food unit receives it. The VA usually makes this benefit adjustment in October.

SSI/PASS Accounts

Disregard income of an SSI recipient necessary to fulfill a Plan for Achieving Self Support (PASS) as an asset regardless of the source. This income may be spent in accordance with an approved PASS or deposited into a PASS account.

The **SSA** must approve the individual's PASS in writing, identifying the amount of income that shall be set aside each month to fulfill the PASS.

Nazi Persecution Victims

Disregard as an asset payments under PL 103-286 to victims of Nazi persecution.

Native American Trust Funds

Disregard up to \$2000 per calendar year held by an individual Native American which is derived from restricted land or land held in trust by the Department of Interior, Bureau of Indian Affairs.

Student Financial Aid

Disregard student financial aid as an asset as long as the student is enrolled in an institution of higher education. If the student graduates or dis-enrolls from school, count any remaining available student financial aid as an asset.

Shelters for Battered Persons

When determining eligibility for a food unit living in a shelter for battered persons, disregard assets that are jointly owned with someone in its former food unit if agreement of the joint owner still living in the former food unit is needed to access the asset.

4.4.1.5 Liquid Assets

Stocks, Bonds, and Other Investments

Count the current cash value of any available investment that includes, but is not limited to: stocks, bonds, or mutual funds. Available means that the asset could be cashed in at any time. Investments that are part of retirement plans are generally not available until someone is of retirement age.

To calculate the net value of investments such as stocks, bonds, or mutual funds, verify the current value(s) as of closing of the market on the day before you do the calculation. For individual stocks or bonds, multiply the value per share times the number of shares. Deduct any losses or penalties charged as a result of a potential sale or early withdrawal.

Loans

Count any loan to a food unit member as an asset, even if the food unit member anticipates spending it in the same month.

Loan Repayments

Count the principal of a loan repayment to a food unit member from a non-food unit member as an asset

Savings and Checking Accounts

Count money deposited in a savings or checking account. Disregard the value of outstanding (un-cleared) checks.

Cash

Count any cash on hand as an asset.

U.S. Savings Bonds

Count the cash value of a U.S. Savings Bond unless it is unavailable. A bond is unavailable only if the food unit proves it tried to cash the bond and was refused.

Nonrecurring Lump Sum

Count nonrecurring lump sums beginning with the month of receipt.

Interest Income

Count interest, dividend, and royalty income as an asset if not received directly.

Example 6: Mary has a certificate of deposit (CD). She receives an interest check every time the CD matures. The interest is income. If she leaves the interest to accumulate, count it as an asset.

4.4.1.6 Divestment

The FoodShare applicant or food unit is not eligible if a member has given away or transferred assets that would have been counted in the eligibility determination:

1. Within three months before the date of application or while receiving FoodShare and,
2. The reason for transfer was to become or remain eligible for FoodShare .

The following asset transfers are not divestments:

1. Assets that would have been disregarded.

2. Assets sold or traded at or near their fair market value.
3. Assets transferred between members of the same food unit.
4. Assets given away for reasons other than to qualify for or keep FoodShare eligibility. It is the food unit's responsibility to prove the reason for the transfer was other than to create or continue eligibility.
5. Disclaimed inheritance. An inheritance is disclaimed under s. 853.40, Wis. Stats. A disclaimer occurs when a beneficiary renounces any claim to an inheritance. A disclaimer is not a divestment as the person disclaiming never gains ownership of the disclaimed asset. The disclaimer must be filed in the probate court having jurisdiction. It is also filed in the office of the register of deeds in the county in which any real estate is located.

4.4.1.6.1 Period of Ineligibility

Add the value of the divested assets to other countable asset values. Determine how much this total exceeds the FoodShare assistance group's asset limit. Use the [Disqualification Chart \(8.1.4\)](#) to determine the ineligibility period.

Example 7: An EBD food unit of one with \$1,250 in savings transferred the ownership of non-homestead property worth \$5,650 to a person not in the same FoodShare assistance group. As calculated:

\$5,650 = value of property = countable divested value

+1,250 = group's existing assets

\$6,900 = total of group's assets and divested value

- 3,250 = group's asset limit

\$ 3,650 = divested value in excess of group's limit used in calculating the FoodShare disqualification period. Disqualify the group for nine months.

The period of ineligibility begins at either:

1. The month of application, or
2. The first allotment issued after the notice of adverse action period has expired in an ongoing FoodShare case, unless a fair hearing and continuation of benefits is requested.

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4.5 SPECIAL SITUATIONS

[View History](#)

4.5.1 INCOME FROM A PRIVATE NON-PROFIT CHARITABLE AGENCY

In a calendar quarter, *disregard* the first \$300 received by a food unit from any private, nonprofit charitable agency. If the application is after the first day of a calendar quarter, include the entire quarter in computing the excess. Count any amount over \$300 as unearned income. Start in the month in which the overage first shows.

Calendar quarter: three consecutive months beginning with January, April, July, or October.

Example 1: In April a food unit receives \$100 cash from Agency X. In May the food unit gets another \$100 in cash from Agency X. In June the food unit gets \$250 cash from Agency Z. The calendar quarter total is \$450. Disregard the first \$300. Count the remaining \$150 as unearned income received in June.

Example 2: A food unit received \$80 from a private, nonprofit charitable agency in January, \$250 in February, and \$210 in March. Include the entire January payment in the calculation, even though it was received before the food unit's application date of January 23, 1991. The total \$540 for January, February, and March is subject to the policy: $\$540 - \$300 = \$240$.

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4.5.2 LOAN REPAYMENT

Count the principal of a loan repayment to a food unit member from a non-food unit group member as a liquid asset. Count the interest of a loan repayment to a food unit member from a non-food unit member as unearned income.

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[View History](#)

4.5.3 REIMBURSEMENT

Disregard a reimbursement for an identified expense, other than normal household living expenses, and used for the purpose intended. Assume a reimbursement does not exceed an actual expense unless the provider or food unit says the amount is excessive. If the amount exceeds the actual expense, count the excess as income.

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4.5.4 PROTECTIVE PAYEE AND THIRD PARTY PAYMENTS

When a food unit member is also a protective payee, *disregard* the money he or she receives for the care and maintenance of a third party who is not in the food unit. However, count any portion of the money the member spends for his or her own food unit's needs as income to the protective payee.

If a single payment is for the care of a food unit member and a third party not in the food unit, disregard the portion of the payment intended for the third party. When you cannot identify each person's portion, prorate the payment equally.

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[View History](#)

4.5.5 NONRECURRING LUMP SUM PAYMENT

Disregard money received as a nonrecurring lump sum payment as income. A nonrecurring lump sum is a payment received only once. Count it as a liquid asset in the month the food unit receives it. Types of nonrecurring lump sum payments include:

1. Retroactive lump sum insurance settlements.
2. Retroactive [UC](#) payments.
3. Utility or rental security deposit refunds.
4. Retroactive SS or public assistance payments.
5. Retroactive Caretaker Supplement for Children (CTS).
6. [TANF](#) payments made to divert a family from becoming dependent on welfare, such as Emergency Assistance.

Disregard Income tax refunds as income, or as an asset or resource.

When a combination of current and lump sum payments are received at once, the current amount is income and the nonrecurring amount is an asset.

Example 1: A food unit member receives [SSA](#) benefits. In June, he or she gets a \$950 check. \$430 is for the current month (June) and \$520 is a retroactive payment for underpayments in February and March. The \$430 is income and the \$520 is an asset.

A recurring payment, received in two or more monthly installments, is income. Exceptions are *EITC* and *SSI* Retroactive Installment Payments.

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4.5.6 REPAYMENTS

[4.5.6.1 Repayments due to a W-2 IPV](#)

[4.5.6.2 Repayments for means tested sources that are withheld](#)

[4.5.6.3 Repayments for means tested sources that are paid out of pocket](#)

[4.5.6.4 Repayments for non-means tested sources that are withheld](#)

[4.5.6.5 Repayments for non-means tested sources that are paid out of pocket](#)

[4.5.6.6 SSI Repayments](#)

[4.5.6.7 Earned Income Repayments](#)

[4.5.6.8 General Relief / Interim Assistance](#)

[4.5.6.9 Jury Duty](#)

[4.5.6.10 Vendor Payments](#)

Repayments are moneys that are paid back either voluntarily or involuntarily from some other program's benefits. Intentional failure to comply with program requirements is determined by the authorities for that program. Contact those authorities to determine the reason for repayments. The amount of a repayment that should be used to determine eligibility and benefits varies depending on the source and reason for the repayment. See the sections below for specific repayment policy based on the source and reason of the repayment.

For all repayments, *disregard* no more than the current payment from that source. Disregard income that is mixed with other types of income and used to repay an overpayment back to the source of the income.

Example 1: Ted receives \$50 each month in [VA](#) benefits and \$250 in Social Security benefits. The VA overpaid him by \$200. If he pays back \$50 each month to the VA, do not budget the \$50 as income. If he pays back \$75 each month, disregard only \$50. Budget the remaining \$25 because it isn't money from the source of the overpayment. Remember that his VA benefits are only \$50 a month. The \$25 is probably from his Social Security benefits.

4.5.6.1 Repayments due to a W-2 IPV

When a repayment is due to an intentional failure to comply with *W-2* program requirements, count any portion of that program's benefit that is withheld as a repayment.

4.5.6.2 Repayments for means tested sources that are withheld

Disregard repayments (not due to a FoodShare *IPV*) from benefits payable to the food unit that are withheld from a means-tested assistance payment or other source of income due to an overpayment.

An assistance payment is any benefit provided by a means tested program funded by federal, state, or local funds. Means tested programs are those which base eligibility on income and assets. These include, but are not limited to, W-2 and the Refugee Assistance Program.

Example 2: Kim received an overpayment of \$100 from W-2 (not due to IPV). She has \$10 a month withheld from her \$673 W-2 check to repay the overpayment. Disregard the \$10 monthly until the \$100 is repaid. Her net check is now \$663. Budget the net amount of \$663 for FoodShare.

4.5.6.3 Repayments for means tested sources that are paid out of pocket

Disregard repayments (not due to a FoodShare *IPV*) from out of pocket or from non-means tested benefits to repay an overpayment for a means-tested program.

An assistance payment is any benefit provided by a means tested program funded by federal, state, or local funds. Means tested programs are those which base eligibility on income and assets. These include, but are not limited to, W-2, *SSI* and the Refugee Assistance Program.

Example 3: Kim received an overpayment of \$100 from W-2 (not due to IPV). She has agreed to make a one time payment of \$100 in June to pay this back. Her June W-2 benefit was \$673. Budget the net amount of \$573 (\$673 - \$100) for FS for June.

Example 4: Money taken from a non-means tested program (SSDI) or out of pocket payments used to repay an overpayment for a means-tested program (SSI) are not counted as income when determining FoodShare eligibility. Budget the net SSDI.

4.5.6.4 Repayments for non-means tested sources that are withheld

Disregard repayments (not due to a FoodShare *IPV*) from benefits payable to the food unit that are withheld from a non means-tested assistance payment or other source of income due to an overpayment.

Non-means tested programs are those which do not base eligibility on income and assets. Social Security and Unemployment Compensation (*UC*) are examples of a non-means tested source.

Example 5: Pao receives FoodShare and Unemployment Compensation (UC). UC

is not a means tested program. Pao had an overpayment in his UC and \$25 is being recouped in his current checks. His gross is \$500 and his net is \$475. Budget the net \$475 as income for FoodShare.

4.5.6.5 Repayments for non-means tested sources that are paid out of pocket

Disregard out of pocket payments (not due to a FoodShare IPV) to a prior non-means tested overpayment received from that source.

Non-means tested programs are those which do not base eligibility on income and assets. Social Security and Unemployment Compensation (UC) are examples of a non-means tested source.

Example 6: Val incurred a \$20 overpayment from Social Security. Social Security income is not means tested. Val cashes her \$726 SS check and uses the money to repay the \$20 overpayment. Disregard the \$20 and budget \$706 for FoodShare . If she used the \$20 to repay other types of overpayments, such as VA or W-2, count it as income because the repayment isn't from the same source.

4.5.6.6 SSI Repayments

Always budget net SSI regardless of the reason for any overpayment.

4.5.6.7 Earned Income Repayments

Disregard earned income used to repay an overpayment received earlier from that same source. Do not disregard more than the current amount of payment from that source. Disregard earned income for this reason even if the earnings are mixed with other types of income and used to repay an overpayment.

Example 7: Jill works part-time for \$50 (net) a month and receives \$250 a month in Social Security ([SSA](#)) benefits. She is overpaid by her employer's error by \$200. If she pays back \$50 a month to the employer, do not count that \$50. If she pays back \$75 a month, only \$50 (equal to her regularly received earned income from the overpayment source) is not counted. The other \$25 is paid from her SSA benefit and is counted.

4.5.6.8 General Relief / Interim Assistance

The state of Wisconsin no longer administers a General Relief (*GR*) program. However, some local agencies administer their own GR or Interim Assistance (*IA*) program.

Count GR payments, including work relief, as income unless the payments can be excluded. For example, disregard GR vendor payments made to *homeless* people in transitional or temporary housing.

Do NOT count IA as income. Since there are always repayment agreements for IA, it is considered a loan to be repaid and should not be budgeted as income.

4.5.6.9 Jury Duty

Since the method of payment for jury duty varies by jurisdiction, determine the specific manner in which an individual is being compensated before deciding how to count it. Count any portion of the payment which is over expenses as earned income, to be budgeted in the month received, assuming payment is made within the jurisdiction's usual payment is paid beyond this period.

If all or a portion of the jury duty payment is attributable to expenses incurred while serving (such as transportation costs), disregard this portion as a reimbursement.

4.5.6.10 Vendor Payments

A vendor payment is diverted by the provider of the payment to a third party for an expense of the food unit. Vendor payments may be counted or disregarded as income. Ask, "Is the vendor payment something legally obligated to the food unit?" If yes, count the vendor payment or benefit as income.

Examples of vendor payments counted as income are:

1. Garnished wages paid to a third party for a food unit's debts or expenses such as rent.
2. W-2 and GR payments that are not paid directly to the member. These include vendored or vouchered payments and those paid to a protective payee. Count them as unearned income.
3. Vendored W-2 and GR payments made to a third party for homeless food unit living in transitional or temporary housing
4. Money deducted or diverted from a binding written support or alimony payment to a third party for a food unit's expense. This includes court ordered support or alimony payments.
5. Educational loans on which payment is deferred, grants, scholarships, fellowships, Veteran's educational benefits and the like, provided to a third party on behalf of the food unit for living expenses such as rent or mortgage, clothing or food eaten at home.
6. Unemployment compensation benefits intercepted by Child Support agencies.

Some examples of disregarded vendor payments are:

1. Payments in behalf of the food unit made by a relative who is not a member of the food unit as a gift or other contribution.
2. Rental payments made by [HUD](#) to a landlord.
3. Payments made by a government agency directly to a [child](#) care institution to provide for a food unit member
4. Payment of a food unit's medical bills made directly to the medical provider by any third party, such as an insurance company or GR.

5. Payments specified by a court order or other legally binding agreement to go directly to a third party instead of the food unit are excluded because they are not otherwise payable to the food unit.
6. Support payments not required by a court order or other legally binding agreement paid to a third party rather than the food unit. This included payment over the amount specified in a court order or written agreement.
7. Educational aid that is paid to a third party rather than the food unit for purposes other than living expense. A vendor payment to a school for tuition is an example.
8. Emergency assistance from state or local funds which is over and above the assistance grant(s).
9. Payments made by the State of Wisconsin for Medicare Part A and B coverage under the QMB, SLMB, SLMB+, or QDWI programs.

Example 8: In Fred and Tina's divorce judgment the court orders Fred to pay \$400 a month in child support. In addition, the court orders Fred to pay \$200 a month to a health insurance company for the children's health care coverage. The \$400 is counted as income to Tina's food unit and the \$200 is excluded from income, because it is not otherwise owed to the food unit.

Example 9: Xao loses all his belongs in a fire. An emergency payment voucher is given to a clothing store. Disregard the payment as it is an extra payment used for an emergency.

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4.6 DEDUCTIONS AND EXPENSES

[View History](#)

4.6.1 DEDUCTIONS AND EXPENSES

[4.6.1.1 Calculation Period](#)

[4.6.1.2 Fluctuating and Irregular Costs](#)

[4.6.1.3 One-Time Costs](#)

[4.6.1.4 Converting Expenses to Monthly Amounts](#)

7 CFR 273.9(d)

A food unit may be eligible for six deductions from gross income in the monthly budget that determines their benefit allotment. These deductions are: a standard deduction, an earned income deduction, a medical expenses deduction, a *child* support payment deduction, a dependent care expense deduction, and a shelter expense deduction.

Some food units are not allowed a deduction for some expenses and some expenses are not always deducted in full.

The amount of the monthly expenses used to determine these deductions is determined prospectively using the best verified information available.

Do not allow a deduction from any disregarded income. Make deductions only from countable income.

If the food unit fails to report or verify an expense, the deduction is not allowed.

4.6.1.1 Calculation Period

Most allowable expenses are deducted in the month in which the expense is expected to be billed, not the month the expense is paid.

Example 1: Include in the food unit's shelter expenses rent that is due each month, even if the food unit has not yet paid the expense.

4.6.1.2 Fluctuating and Irregular Costs

A food unit may choose to average an allowable deduction when the costs fluctuate or are billed on other than a monthly basis. If there is a regular interval between billing periods, average the expense over those periods. If there is no regular interval, average the expense over the period the expense is intended to cover.

4.6.1.3 One-Time Costs

The food unit can count a one-time only expense as a one-time deduction or average it over the certification period. If the food unit chooses averaging, average the expense over the remaining months in the certification period following the report of the expense.

The amount of the monthly expenses used to determine these deductions is determined prospectively using the best verified information available.

4.6.1.4 Converting Expenses to Monthly Amounts

Expenses that are billed more or less than monthly must be converted to monthly amounts:

- 2 for semi-monthly expenses (billed two times per month)
- 2.15 for bi-weekly expenses (billed every two weeks)
- 4.3 for weekly expenses (billed each week)

If there is no regular interval between billing periods, average the expense over the period the expense is intended to cover.

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4.6.2 STANDARD DEDUCTION

The standard deduction is subtracted from all countable gross income in the FoodShare eligibility determination. The standard deduction varies depending on the FoodShare assistance group size (only eligible FoodShare assistance group members are included in determining standard deduction amount) and is adjusted annually by the federal government. (See [8.1.3 Deductions](#))

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4.6.3 EARNED INCOME DEDUCTION

The earned income deduction is 20% of the gross monthly countable earned income of the FoodShare assistance group. This deduction is intended to offset work-related expenses such as taxes and social security withheld from wages.

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4.6.4 MEDICAL EXPENSES

[4.6.4.1 Allowable Medical Expenses](#)

[4.6.4.2 Medical Expenses Not Allowed](#)

[4.6.4.3 Budgeting Medical Expenses including MA Deductible Expenses](#)

[4.6.4.3.1 Deductible Expenses](#)

[4.6.4.3.2 Examples](#)

The medical expense deduction is determined using verified allowable monthly medical expenses incurred by elderly, blind, or disabled food unit members exceeding \$35 per month. See [1.2.4.8](#) for verification requirements.

4.6.4.1 Allowable Medical Expenses

Allow previously acquired charges (not yet paid) and current payments when calculating a medical expense deduction. Previously acquired charges include charges incurred anytime before or during the certification period, as long as the individual is still obligated to pay the expense and the incurred expense has not been previously allowed as a FoodShare deduction.

Past unpaid medical bills can be used to prospectively budget recurring medical expenses at application or renewal.

One-time medical expenses (i.e. hospital bills) can be budgeted for one month or averaged over the remaining certification period.

Medical expense payments made during the certification period are allowable. Medical expenses paid prior to the certification period are not allowable.

Example 1: Jack has surgery in January and receives a hospital bill for \$400 in February. Jack then applies and becomes eligible for FoodShare in April. At the time of application, Jack has not made any payments toward the medical bill. The IM worker can use the entire \$400 hospital bill when calculating Jack's medical expense deduction.

Example 2: Jack has surgery in January and receives a hospital bill for \$400 in February. He makes his first \$50 monthly payment toward his medical bill in March. Jack then applies and becomes eligible for FoodShare in April. The IM worker cannot use the \$50 March payment when calculating the medical expense deduction. The IM worker can, however, use the remaining \$350 of the hospital bill ($\$400 - \$50 = \$350$) to calculate the deduction.

Allowable medical expenses are:

1. Medical and dental care including psychotherapy and rehabilitation services provided by a state licensed practitioner or other qualified health professionals, including chiropractors and acupuncturists.
2. Hospitalization or outpatient treatment, nursing and nursing home care. This includes payments by the food unit for a person who was a food unit member immediately before entering a state recognized hospital or nursing home.
3. Prescription drugs when prescribed by a licensed medical practitioner authorized under state law. This includes the cost of postage for mail-order prescription drugs.
4. Over-the-counter medication (including insulin) when approved by a licensed practitioner or other qualified health professional.
5. Sickroom equipment (including rental), or other pre-scribed equipment, and medical supplies.
6. Health and hospitalization insurance premiums, including Medicare premiums. Nursing home care insurance policies are deductible only if the policy states that the benefits are intended to pay medical bills - then it is reasonable to conclude

that the food unit member intends to use the benefits for paying medical bills rather than normal living expenses.

Only allow the premium of the elderly, disabled, or blind food unit member. For example, a mother pays \$165 for herself and her disabled son. If she only covered herself the payment would be \$100, therefore \$65 is the expense for the *child*. Count the \$65 as an allowed medical expense.

In the absence of specific information on how much of a premium is for the eligible food unit member, prorate the premium and allow the *EBD* member's portion of the premium as the expense.

7. Dentures, hearing aids, and prosthetics.
8. Purchase and maintenance costs of any service animal specially trained to perform some function that the EBD food unit member cannot readily perform on his or her own, including the cost of securing and maintaining a service animal including food and veterinarian care. This includes companion animals specifically trained to assist the EBD food unit member with the medical issue for which a licensed practitioner prescribed the animal. The trainer does not need to have any special credentials and can be the person claiming the deduction as long as the animal is trained to do a specific function the EBD person cannot do for themselves.

Reimbursement for these expenses is an allowable deduction if:

- a. It does not exceed the actual expense.
 - b. It does not represent a gain or benefit to the food unit as do normal living expenses such as rent or mortgage, personal clothing or food eaten in the home.
 - c. It is provided specifically for an identified expense.
 - d. It is used for the purpose intended.
9. Eye glasses and contact lenses prescribed by an ophthalmologist or optometrist.
 10. Reasonable cost of transportation and lodging to obtain medical care. For transportation when the expense has not or will not be reimbursed by a third party, allow:
 - a. The actual cost of the public carrier (taxi, bus, etc.); or,
 - b. If a private vehicle, the lesser of the mileage rate paid by the county (to employees) or by the state for unrepresented state employees. See [F-80190](#) to obtain the current state rates.
 11. Charges for an attendant, homemaker, home health aide, child care, or housekeeper necessary due to age, infirmity or illness.

Treat attendant care costs that qualify either as a medical or dependent care deduction as a medical deduction. Deduct an amount equal to the one person allotment if the food unit furnishes the majority of the attendant's meals. Use the allotment in effect the last time eligibility was determined. You must update the amount at the next scheduled renewal but may do so earlier.
 12. Any cost-sharing, co-payment, or Medicaid deductible expense incurred by a Medicaid member, including Medicaid deductible pre-payments.

13. Payments made on a loan's principal if it was used to pay a one-time medical expense. Do not allow loan expenses, such as interest.
14. BadgerCare Plus and Medicaid Purchase Plan (MAPP) premiums.
15. The SeniorCare enrollment fee.
16. Lifeline/MedicAlert. The costs of Lifeline or MedicAlert devices used by persons to contact medical help in emergencies are an allowable medical expense deduction for FoodShare benefits if prescribed by a licensed practitioner or other qualified health professional.
17. Medical expenses billed on a charge card are allowable. The interest cannot be included as a deduction.

4.6.4.2 Medical Expenses Not Allowed

Do not allow:

1. Expenses paid by or that will be paid by insurance.
2. Expenses paid by or to be paid by any governmental program, including SSA, Medicaid, and Medicare.
3. Costs of health and accident policies such as: any payable in lump sum settlements for dismemberment or death, or income maintenance policies covering mortgage or loan payments while the beneficiary is disabled.
4. Loan repayments for anything other than the loan's principal.
5. Premiums for nursing home insurance policies that would not be used to cover allowed medical expenses.
6. Lying in costs for the birth of a child.
7. Special diets whether or not the diet is related to a medical condition.
8. Prescribed medical marijuana.
9. Expenses paid by or to be paid by a transportation vendor or other third party.

4.6.4.3 Budgeting Medical Expenses including MA Deductible Expenses

Medical expenses for elderly, blind, or disabled members may be entered through one of the following budgeting methods:

- Budgeted as a recurring monthly expense,
- Budgeted as a one-time lump sum expense for one month,
- Budgeted for the remainder of a FoodShare certification period,
- Budgeted based on the terms of a payment plan, or
- Averaged over the time period a one-time medical expense was intended to cover (such as a prepaid or met medical deductible).

Under all of the budgeting options, the obligation amount (amount incurred) is counted rather than the amount paid. The member may or may not pay the bill so it is important to make sure that the expense is not counted more than once.

A monthly medical expense obligation budgeted based on the terms of a payment plan can be claimed for as long as the original payment plan is in place. Amounts still due

after they were budgeted during a previous FoodShare certification period may not be included as part of the monthly expense.

The averaging of the one-time medical expense cannot extend past the certification period in which the expense was originally counted.

Except when an expense is averaged during a certification period, the expense should be budgeted starting with the month it is billed or otherwise becomes due, regardless of when the member intends to pay the expense. Allow the expense in the next possible benefit month.

For instructions on how to enter allowable medical expenses into CWW, see Process Help, Section [18.2.4](#) Other Medical Expenses - Medical Expenses Page.

4.6.4.3.1 Deductible Expenses

Deductible expenses actually incurred or anticipated to be incurred on a monthly basis may be used to determine the amount of the FoodShare medical expense deduction.

The MA deductible amount itself does not necessarily determine the amount of the FoodShare medical expense deduction, and should not automatically be averaged over the FoodShare certification period to arrive at an excess medical expense deduction.

However, if an individual makes a pre-payment or incurs a one time medical expense that may be used to meet the MA deductible, he or she may choose to have the expense budgeted as a lump sum one month deduction, averaged over the remainder of the FoodShare certification period, averaged over the period it was intended to cover (the deductible period), or budgeted based on the terms of a payment plan (if a payment agreement exists).

4.6.4.3.2 Examples

Example 3: IM worker Mollie is processing a FoodShare application for Ernie. Ernie is disabled. He has provided verification of an outstanding payment agreement for dental care he received. The terms of the payment agreement include a repayment obligation of \$40 per month for 24 months. Ernie has been making his monthly payments and has 17 months remaining in his payment plan (total remaining responsibility of \$680). The remaining obligation of \$680 is an allowable deduction. The \$280 that Ernie has already paid is not an allowable deduction.

Example 4: IM worker Cory is processing an application for Alena, a disabled FS member in October. Alena has an outstanding hospital bill from September with a remaining patient responsibility of \$230 and November due date. Alena may choose to have the expense budgeted as a lump sum for one month or budgeted over the FS certification period. After discussing the budgeting options for FS with Alena, Cory determines that budgeting the expense for one month (the month of

November) will result in the best outcome for Alena.

Example 5: A food unit member has a Medicaid deductible of \$400 for a six month Medicaid certification period. Based on the verified medical expenses in the previous 6 months, the person anticipates he will incur \$100 per month in medical expenses. Enter \$100 in expenses on the Medical Expenses page and CWW will allow \$65 in excess medical expenses for each month ($\$100 - \$35 = \$65$). When the FoodShare assistance/Medicaid group member meets the Medicaid deductible and Medicaid opens, the IM worker should remove the monthly excess medical deduction. Remember to check the medical expense screens whenever Medicaid opens and adjust the expenses accordingly.

Example 6: A food unit member who is disabled has a Medicaid deductible of \$600. He meets the deductible with a one-time expense of \$850. He chooses to average the expense over the period it was intended to cover. The IM worker averages the non-reimbursable portion of the expense, \$600, over the remaining months of the Medicaid deductible period.

Example 7: A member is certified for 12 months for FoodShare and six months for Medicaid with an \$800 deductible. During month two the member incurs a one-time medical expense of \$4000. The Medicaid deductible is met and the person becomes eligible for Medicaid for the rest of the Medicaid certification period. The non-reimbursable amount is \$800 since Medicaid pays the remainder of the bill after the deductible is met. For purposes of FoodShare eligibility, he or she can do one of these:

1. Choose to have the entire non-reimbursable expense (\$800) applied to one month as an excess expense in the next possible benefit month.
2. Enter into a payment plan with the provider and the incurred monthly payment amount due is used to determine the excess medical expense. The payment plan can extend beyond the FoodShare certification period as long as no part of the medical expense is counted more than once. For instance, if the payment plan calls for \$40 payments to be made each month for 20 months, the \$40 expense can be counted each month for 20 months.
However, if the member falls behind in the payment plan and in the 21st month enters into a second payment plan to cover the remaining balance, DO NOT allow the remaining balance as a medical expense because it was already deducted during the previous 20 months.
3. Request that the \$800 be averaged over the remaining 10 months of the FoodShare certification period. In which case, the monthly excess medical expense deduction would be: $\$80 - \$35 = \$45$ each month for 10 months.
4. Request that the \$800 be averaged over the remaining 4 months of the MA certification period, or the period the expense is intended to cover. In which case, the monthly excess medical expense deduction would be $\$200 - \$35 = \$165$ each month for four months.

4.6.5 CHILD SUPPORT PAYMENT DEDUCTION

[4.6.5.1 Child Support Payment Introduction](#)

[4.6.5.2 Allowable Child Support Expenses](#)

[4.6.5.3 Child Support Expenses Not Allowed](#)

[4.6.5.4 Family Support](#)

4.6.5.1 Child Support Payment Introduction

The FoodShare child support expense deduction may include only legally obligated or court-ordered child support payments including arrearages actually made and/or reasonably anticipated to be made to a non-household member. This information is obtainable through court records and/or the *KIDS* system. ([Process Help Chapter 62.3 Child Support Court Ordered Amount](#)) The average amount an individual is paying on a current obligation is allowed as the expense.

To determine a monthly average when the payment amounts fluctuate, IM workers should follow the same process used to determine prospective income. The average should be the best estimate of amounts paid, but also amounts expected to be paid in the future. The number of months used to calculate the average may vary depending on the amount of fluctuation in the payments. IM workers should document in case comments the number of months used to calculate the deduction and the reason those months were used ([1.2.4.2](#)).

If the member is behind on their court ordered obligation and making arrearage payments, allow the total amount paid even if it exceeds the court ordered obligation amount.

Example 1: Mike has a court order child support obligation with Terri for their child in common to pay \$250 a month in child support. Mike has been paying \$250 per month for the past three months. Since this payment amount does not fluctuate, the \$250 per month is budgeted as the child support expense as long as there is a reasonable expectation that Mike will continue to make payments.

Example 2: Ben has a new court ordered child support obligation with Carrie for their child in common to pay \$265 a month in child support. Because this is a new order and there is no history of payments, determine whether Ben can reasonably anticipate making payments in the future by considering his income and intent to pay. Ben currently receives unemployment compensation that could cover his child support obligation and has stated his intent to pay child support. In this case, the court obligated amount should be budgeted.

Example 3: Alex is a non-custodial parent with a court ordered child support obligation of \$178 per month. For some time, Alex had been unable to pay child support, but he just started a new job. In this case, there are no payments to average, but since Alex is now working and there is a court order to make deductions from his check to the custodial parent, the court-obligated amount is allowed as a deduction. The IM worker should review the payment amounts at the next renewal.

Example 4: Jane has a court ordered child support obligation of \$400 per month. Jane is self-employed. She did not make a payment in the previous month. Looking back for the last six months, payments have been sporadic and the amounts vary from month to month. To determine the best estimate for the deduction, the IM worker should average payments from the past six months as long as there is reasonable expectation that Jane will continue to make payments, even though the amount and payment dates may continue to fluctuate.

Note: Use the KIDS system to verify court-ordered obligations and payment history. If the information is not available in *KIDS*, ask the applicant or member to provide a legal document, such as a divorce decree or other type of court-issued document, which specifies the amount of legally-obligated child support. Out-of-state child support orders and payments must be verified through the out-of-state child support agency or through other official court documentation in order for the deduction to be allowed.

If a child support obligation is reported but not verified or is found to be non-court ordered, the FoodShare eligibility should be determined without the expense in the budget.

Update ongoing cases at renewal or reported change. At the time of SMRF, due to simplified reporting requirements, members are required to report if there has been a change in his or her legal obligation to pay support. Changes in the court-ordered obligation must be re-verified and the intent to pay evaluated if the member reports such a change.

BEST PRACTICE: Create a sequence whenever a member has a current child support obligation, even if there is no payment history or payments are not currently being made. If there are no payments being made and/or no expense to budget, enter \$0.00. Creating a sequence for current legal obligations will remind any IM worker updating the case to check for payment history or changes to the obligation at SMRF or renewal.

A parent may be legally obligated to pay child support for a child living in his or her residence when the child does not reside in that parent's home full-time. In these cases, the legally obligated child support and arrearage payments are allowable for the deduction as long as the payments are being made to a non-household member and none of the payments will return to the household.

If the custodial and non-custodial parents reunite in one food unit that includes the child, the food unit can deduct arrearage payments made to a non-household member as long as the payments being made will not be returned to the household.

If a child support obligation exists for a non-custodial parent (*NCP*) for a child who currently resides with the NCP, allow the deduction for the NCP only in cases where the payment is made to an individual or agency outside the household.

4.6.5.2 Allowable Child Support Expenses

Allowable child support obligations are:

1. Arrearages,
2. Legal obligation for a non-food unit member to pay for things such as rent or mortgage payment,
3. Legal obligation for health insurance payments,
4. A prorated share of child support paid by ineligible members,
5. Court ordered Foster Care payments,
6. Court ordered subsidized Guardianship payments, **or**
7. Court ordered blood test expenses for the child included in the court ordered obligation.

4.6.5.3 Child Support Expenses Not Allowed

CFR 273.9(d)(5)}

Do not allow:

1. Maintenance,
2. Payments made in accord with a property settlement.
3. Lying in costs for the birth of a child.
4. The annual child support R&D fee, **or**
5. An employer's check withholding fee.

4.6.5.4 Family Support

If the IM worker is unable to determine which part of a family support payment is child support, prorate the payment among the food unit members it is intended for and exclude the spouse's share as a deduction.

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4.6.6 DEPENDENT CARE DEDUCTION

4.6.6 Dependent Care Deduction

Determine the monthly allowable dependent care expenses if the dependent care is necessary to enable an individual in the food unit to:

1. Keep or obtain employment,
2. Get training or education preparatory for employment,
3. Comply with employment and training requirements ([FSET](#)), **or**
4. Maintain a spot for their [child](#)(ren) with their current dependent care provider if one or both parents temporarily lose their ability to meet one of the above requirements.

Do not allow the deduction unless the dependent care is necessary and there is not a capable *parent* available in the food unit to provide dependent care.

Example 1: Tim and Jane are married and have one child. Jane states that their child attends daycare two days a week while she looks for work. Although she states that Tim is capable of caring for the children, he is not currently participating in any of the four activities listed above. Do not allow the dependent care deduction.

Example 2: A married couple, Mary and Ian, send their children to Sprouts Daycare while Mary works and Ian attends college. Mary was notified that she will be laid off for one or more months. Mary and Ian are required to make ongoing payments to Sprouts Daycare, whether or not their children attend, in order to maintain a spot for their children at the daycare. Allow the dependent care deduction. Changes in circumstances will be captured at their next renewal or if they report a change in income that exceeds reduced reporting limits.

Effective October 1, 2008 applicants and members can deduct the total monthly dependent care costs. There is no longer a cap at \$175 or \$200.

The provider of the dependent care cannot be a member of the food unit.

Do not allow in-kind payments as a deduction. This includes free rent in exchange for child care. In this case, no income is counted, no rent deduction is allowed, and no child care deduction is allowed.

Example 3: A food unit member is a dependent care provider. He or she is compensated for providing dependent care by paying no rent. Do not allow the dependent care deduction.

Do not allow a dependent care deduction for the portion an agency pays directly to the dependent care provider. Deduct any amount the food unit actually incurs or pays above the vendored, vouchered, or reimbursed payment.

Transportation provided by the child care provider, which is not reimbursed through a child care authorization, is an allowable deduction when the transportation is necessary for the food unit member to seek or maintain employment.

See the Child Day Care Manual, Chapter 3, for further child care policy instructions regarding:

1. [W-2](#) Child Care recipients who are also FSET or Learnfare participants. They may not have a co-pay obligation
2. Costs above Child Care Deduction.

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4.6.7 SHELTER AND UTILITY DEDUCTION

[4.6.7.1 Shelter and Utility Deduction Introduction](#)

[4.6.7.2 Allowable Shelter Expenses](#)

[4.6.7.3 Standard Utility Allowances](#)

[4.6.7.4 Shelter Deduction during a Temporary Absence](#)

[4.6.7.5 Shelter Deductions for Group Living Arrangement Residents](#)

[4.6.7.6 Shelter Deduction for Homeless Food Units](#)

4.6.7.1 Shelter and Utility Deduction Introduction

The shelter deduction is determined by the food unit's reported monthly expense obligation for the current *residence* for shelter.

Deduct shelter and utility obligation amounts (not actual amount paid) which exceed 50% of the food unit's net income after all other deductions are made. If shelter and utility obligation amounts (not actual amount paid) are less than 50% of the food unit's income, do not allow a deduction.

The shelter and utility deduction cannot exceed the shelter maximum unless the food unit includes an elderly, blind, or disabled individual. Food units that include elderly, blind, or disabled individuals have no shelter cap.

Private payments and loans

Sometimes a relative or friend who is not a food unit member will pay the food unit's shelter directly to the provider or landlord on behalf of the food unit. In such cases, the IM worker should determine if the payment is a loan.

If the payment is a loan, it is excluded from income, and the expense is allowed in the shelter computation. If the payment is not a loan and a relative or friend makes the vendor payment, it must be excluded from income and the shelter expense is not allowed as a deduction. ([4.3.4.3](#))

4.6.7.2 Allowable Shelter Expenses

Shelter expenses that are deductible include:

1. Rent
2. Home mortgage and property taxes (if not in the mortgage). Homestead property may consist of multiple sections of land for tax purposes. Since the food unit is responsible for all taxes owed on the homestead property, the taxes owed on all sections of the property are allowed as a deduction.
3. Countable utility expenses
4. Mobile home lot rent and loan payments
5. Insurance on the structure (if not included in the mortgage). If a food unit has a homeowner's insurance policy that includes insurance on the structure and household contents, but the costs cannot be separately identified, the total cost is allowable. **Note:** renter's insurance is not an allowable shelter deduction.
6. Second mortgage or home equity line of credit (regardless of what the mortgage is used for)
7. Special assessments.
8. Condominium fees or condo association fees.

Do not count as shelter or utility expenses such surcharges as pet expenses, extra garage rentals, or air conditioning surcharges. The monthly amount of rent should be taken into consideration each month when the shelter deduction is determined without regard to when the rent is actually paid. Only allow current monthly expenses. DO NOT include arrearages, late charges or discounts for early payment.

Disregard HUD and *FMHA* payments paid directly to the landlord or mortgage holder as an expense. Only include the amount the food unit owes after the HUD or FMHA payments as a rent expense.

Do not allow in-kind payments as a shelter deduction. This includes arrangements such as receiving free rent for providing *child* care, or other services. In these situations, no rent deduction is allowed, no income is counted and no child care deduction is allowed.

Include costs for the repair of damages to the food unit's home due to a natural disaster as a shelter expense. Examples of natural disasters are fires, floods, hurricanes, and tornadoes.

Do not count expenses for repairs that have been or will be reimbursed to the food unit by any private or public relief agency, insurance company, or any other source.

If anyone in the household shares the shelter cost with the food unit, create a separate shelter screen for each contributor, using the correct obligation amount for which each contributor is responsible.

When a self-employed person claims the total shelter costs as a business expense, do not allow any shelter deduction. If a he or she claims a percentage of the shelter costs as a business expense, the remaining percentage is a shelter deduction.

4.6.7.3 Standard Utility Allowances

Food units that have received a **WHEAP** or **LIHEAP** payment greater than \$20* in the current month or within the past 12 months will receive the HSUA. WHEAP or LIHEAP payments may be received at any address (in or out of state) in the current month or the past 12 months.

Food units that have not received WHEAP or LIHEAP will receive the appropriate utility standard based on the utility obligation(s) incurred by the food unit as described below:

Utility Standards

1. The **Heating Standard Utility Allowance (HSUA)**, if obligated to pay, or actually paying for any heating source, including but not limited to gas, electric, wood, propane, etc.
2. The **Limited Utility Allowance (LUA)**, if obligated to pay, or actually paying for two or more **different types of** non-heat qualifying utility expenses. The qualifying utility expenses are phone, water, sewer, electric, cooking fuel, or trash.
3. The **Electric Utility Allowance (EUA)**, if obligated to pay, or actually paying for only a non-heat electric bill.
4. The **Cooking Fuel Utility Allowance (FUA)**, if obligated to pay, or actually paying for only a fuel used for cooking that is not also used for a heating source.
5. The **Water Utility Allowance (WUA)**, if obligated to pay, or actually paying for only a water bill, a sewer bill, septic tank installation or maintenance, or wastewater treatment bill.
6. The **Phone Utility Allowance (PUA)**, if obligated to pay, or actually paying for only a telephone, including cellular phones.
7. The **Trash Utility Allowance (TUA)**, if obligated to pay, or actually paying for only a trash or garbage bill.

If a food unit does not claim to have any utility obligation for the current residence and has not received a WHEAP payment, no utility allowance will be granted.

A heat expense is only allowed if the food unit is responsible for the obligation separate from his or her rent regardless of living in or out of subsidized housing.

See [8.1.3 Deductions](#) for the current amount.

*Wisconsin's WHEAP and LIHEAP payments are always greater than \$20. IM workers will need to determine the payment amount from other states.

Special Situations

If a food unit reports a change in address, they are not required to report a change in utilities; the food unit may keep the utility standard applied to their food unit until their renewal. If, however, the food unit does report a change in utilities, enter the appropriate new shelter utility allowance. If WHEAP was received in the current or past 12 months; the food unit is entitled to the full HSUA regardless of current utility obligations.

When utility bills are not in a food unit member's name, but the food unit claims responsibility for the bill and the address for the utility bill is the same as the food unit's address, allow the appropriate utility standard. If separate food units share utility expenses and a residence, each food unit should be granted the full utility standard, regardless of which food unit receives the bill.

If a homeless food unit claims to have both temporary shelter and utility costs, the appropriate utility standard should be granted. If this is determined questionable, follow the verification policy below.

Self-employed food units who claim 100% of utility expenses as a business deduction on their tax forms are not entitled to a utility allowance. If less than 100% is claimed as a business deduction, the food unit is entitled to the appropriate utility allowance.

Verification

If a food unit claims to have received WHEAP, verification will be required; IM workers have access to this verification via the data exchange, Tran code: DXLI, in the CARES Mainframe. Note: All WHEAP payments are \$30 or greater.

Note: If a household receives WHEAP, there will be no DXLI match if the payee is not a food unit member. The food unit is entitled to the HSUA.

For food units that have not received a WHEAP payment, verification of the food unit's utility obligation(s) will be required only if determined questionable. If verification is requested and not submitted, the utility expense would not be considered when determining which utility allowance is appropriate for the food unit.

Example 1: A food unit owns their home. If the applicant or member claims responsibility for all household utilities, including heat, verification should not be required as this is not questionable.

Example 2: A food unit claims to be responsible for paying heat in their apartment. The lease indicates heat is included in the rent. Because there is conflicting information, the utility expense claimed would be considered questionable.

4.6.7.4 Shelter Deduction during a Temporary Absence

Allow shelter and utility expenses for a dwelling. The food unit is considered temporarily absent when the absence is caused by:

1. Employment or training away from home,
2. Illness, **or**
3. Abandonment due to a natural disaster or casualty loss.

Do not deduct shelter or utility expenses for the food unit if the unit has any of the following:

1. The food unit does not intend to return to the home; and
2. Any current occupants of the home receive FoodShare as a separate food unit and are being allowed the shelter and/or utility expense deductions; and
3. The food unit rents or leases the home to others during their absence.

4.6.7.5 Shelter Deductions for Group Living Arrangement Residents

Allow the appropriate utility allowance for a resident of a qualified group home if the utilities are identified separately. Residents of group living arrangements have no limit on the amount used as a shelter deduction because they are disabled. Allow shelter and medical deductions for room and medical costs that can be separately identified.

Sometimes room, meals, and medical costs cannot be identified separately. If the cost of room and meals are combined into one amount, the amount of the payment that exceeds the maximum allotment for a one-person FoodShare assistance group can be used as the shelter deduction.

If the amount paid for medical and shelter cost cannot be separately identified by the group home, no deduction is allowed for the cost.

Example 1: Bev pays the CBRF Community Based Residential Facility \$500 and receives shelter, meals, and medical care from the CBRF. Separate costs cannot be identified. Do not allow a deduction.

Example 2: Shirley is in a CBRF and her room and meal costs are combined into one amount of \$600 per month. Separate costs cannot be identified. A one person allotment is \$194 (effective October 1, 2015). $\$600 - \$194 = \$406$. The shelter expense is \$406.

4.6.7.6 Shelter Deduction for Homeless Food Units

Homeless food units may be eligible for a shelter deduction using shelter expenses if they incur monthly expenses for shelter and a standard utility allowance ([4.6.7.3](#)) if they are responsible for utility expenses separate from shelter expenses or have received a LIHEAP payment in the previous 12 months.

Determine eligibility for shelter residents using only their income. Include only expenses they are responsible for. Count room payments to the shelter in the food unit's shelter expenses.

Do not include back payments on previously owed shelter expenses since the expenses were incurred before the budgeting period. The exception to this is vendor payments that must be repaid. Food units who have shelter expenses paid with a vendor payment can count the actual shelter costs if they repay the vendor payment.

Example 3: A third party pays Gwen's shelter expenses while she is living in a

homeless shelter during March. She agrees to pay the money back when she starts work. She is employed in April and moves. She incurs her March shelter costs in April since that is when she is expected to repay the third party. Her new shelter costs also are due in April. Include both March and April shelter costs for April.

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4.7 DEEMING

[View History](#)

4.7.1 DEEMING

Deem means allocate income and/or expenses to the FoodShare assistance group from an individual not in the group. Deeming occurs regardless of whether the allocated amounts change hands.

Deeming may occur for sponsored immigrants, or for members of the food unit, who are not included in the FoodShare assistance group due to non-financial ineligibility.

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[View History](#)

4.7.2 DEEMING FROM A SPONSOR

[4.7.2.1 Introduction](#)

[4.7.2.2 Exemptions from Sponsor Deeming](#)

[4.7.2.3 Indigence Exemption](#)

[4.7.2.4 Sponsor Liability](#)

[4.7.2.5 Verification of Sponsor's Income](#)

[4.7.2.6 Self-Declare Non-Support from Sponsor](#)

[4.7.2.7 Exempt Immigrants](#)

4.7.2.1 Introduction

A sponsor is a person who executes an affidavit of support or similar agreement for an Immigrant. The agreement is a condition of the immigrant's entry into the U.S. promising to provide enough support to maintain the immigrant at or above the 125 percent of the FPL.

There are two different affidavits of sponsor deeming. Those signed prior to December 19, 1997 (I-134), and those signed on or after December 19, 1997 (I-864).

I-134 (pre- PRWORA)

The I-134 form was the primary affidavit of support form used by *INS* before December 19, 1997; it is still used in some limited cases for immigrants who enter after that date.

Deeming applies for only the first three years in the United States. *Deem* the income of the sponsor and the sponsor's *spouse* (if living together), to determine the immigrant's eligibility.

I-864.

No time limit on deeming unless exemption criteria exist [\(4.7.2.1\)](#) or sponsor liability ends [\(4.7.2.3\)](#).

4.7.2.2 Exemptions from Sponsor Deeming

1. Immigrants whose sponsor has not signed a legally binding affidavit of support. This applies to immigrants whose sponsors signed affidavits of support before December 19, 1997. Immigrants, such as refugees, who are sponsored by an organization or group who also fall into this category.
2. Immigrants without sponsors.
3. Battered Spouse or [Child](#) Exception.
4. Sponsor in the same household. When the sponsor lives in the same household as the immigrant they are considered as one food unit. Deeming does not apply because the sponsor's income is already counted. There is no deeming exemption if the sponsor receives FoodShare benefits in another food unit.
5. Children.
6. Indigent Exemption

4.7.2.3 Indigence Exemption

A sponsored immigrant may ask for an indigence exemption from deeming by stating that they are unable to obtain food and shelter. A sponsored immigrant is considered indigent if the sum of the immigrant's own income plus any cash, food, housing, in-kind assistance, or other assistance provided by other individuals, including their sponsor does not exceed 130 percent of the FPL for the FoodShare assistance group's size.

Inform the sponsored immigrant that when the agency makes an indigence determination the agency must notify the Attorney General of the names of the sponsor and the sponsored immigrant. The sponsor signed an agreement to support the sponsored immigrant financially in order for the immigrant to enter the U.S.

If the sponsored immigrant does not want this disclosure to occur they have the option to refuse the indigence determination but also inform them by refusing, the sponsored immigrant is ineligible for FoodShare. Eligibility is determined for the remaining

FoodShare assistance group members using the sponsored immigrants' income and resources and the sponsor's income and resources (if known) are deemed to the sponsored immigrant's group in the FoodShare determination.

An immigrant who satisfies the indigence exemption criteria is exempt from deeming for 12 months and may be renewed for additional 12-month periods.

4.7.2.4 Sponsor Liability

Deeming of a sponsor's income lasts until:

1. The immigrant becomes a naturalized citizen.
2. The immigrant obtains 40 qualifying quarters of work.
3. The sponsor leaves the U.S.
4. The sponsor becomes exempt from deeming
5. The sponsor of the immigrant dies.
6. The sponsor signed I-134 (pre- PRWORA) and deeming applies for only the first three years in the United States.

4.7.2.5 Verification of Sponsor's Income

The eligible sponsored immigrant is responsible for obtaining the cooperation of the sponsor and for providing the agency with the information and documentation necessary to calculate deemed income. Follow normal verification procedures and change reporting requirements. Assist the sponsored immigrant if needed. If necessary, INS through the SAVE program can provide the sponsor's name, *address*, and *SSN*.

The immigrant or immigrant's spouse must provide:

1. The income of the immigrant's sponsor at the time the immigrant applies for FoodShare. Include income of the sponsor's spouse (if living with the sponsor).
2. The number of other immigrants for whom the sponsor has signed an affidavit of support or similar agreement.
3. The provision of the INA the immigrant was admitted under.
4. The date of the immigrant's entry or admission as a lawful permanent resident as established by INS.
5. The immigrant's date and place of birth, and immigrant registration number.
6. The number of dependents for Federal income tax purposes claimed by the sponsor and the sponsor's spouse (if living with the sponsor).

The sponsored immigrant is ineligible if verification is not received timely. He or she is ineligible until verification is received. If the immigrant refuses to provide needed information, other *adult* members of the immigrant's food unit must do so. If the same sponsor is responsible for the entire food group, the entire food group is ineligible until verification is provided.

4.7.2.6 Self-Declare Non-Support from Sponsor

However, the sponsored immigrant may self-declare that they are not being supported by the sponsor. If the sponsored immigrant self-declares non-support from the sponsor, all that can be estimated when determining indigence is the sponsored immigrant food unit's income and any other income received from others. The agency does not need verification from the sponsor of non-support. Requiring such verification would create a barrier to program access, particularly in cases where the sponsor cannot be located.

Once determined indigent, the sponsored immigrant is exempt from sponsor deeming. However, if the immigrant receives cash contributions from the sponsor, then the amount of cash given must be verified following normal verification procedures.

4.7.2.7 Exempt Immigrants

Do not *deem* to any immigrant who has been:

1. Admitted to the U.S. through Deportation Withheld section 243 or 241 of the INA.
2. Admitted to the United States as a refugee as a result of an application, after March 31, 1980, under section 207 of the INA.
3. Paroled into the United States as a refugee under section 212(d)(5) of the INA.
4. Granted political asylum by the Attorney General under section 208 of the INA.
5. A Cuban and Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980 (PL 96-442).
6. The dependent [child](#) of the sponsor or the sponsor's spouse.
7. Sponsored by an organization.
8. Admitted as a conditional entrant under section 203(a)(7) of the INA.

In addition, do not apply PRWORA sponsor deeming rules to:

9. A battered immigrant (adult or child) or the [parent](#) of a battered immigrant child, or the child of a battered parent as defined in Battered Immigrant Eligibility [3.12.1.5](#), who are no longer living with the batterer, and who have demonstrated a substantial connection between the need for FS and the battering. This exemption lasts for a period of 12 months from the date of application. After 12 months the battered immigrants continue to be exempt from deeming with regard to the resources and income of the batterer only.

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4.7.3 DEEMING FROM INELIGIBLE FOOD UNIT MEMBERS

If an individual food unit member has been kept out or removed from the FoodShare assistance group, it may be necessary to deem his or her income and/or expenses to the remaining FoodShare AG as part of the eligibility and benefit determination. In some cases a pro-rated share of the ineligible individual's income or expenses is deemed to the FoodShare AG. In other cases the ineligible individual's gross income or expenses

are deemed to the group. In still other situations, only the amount the ineligible individual is actually contributing, or giving to the FoodShare AG is considered.

Actually contributing means the person provides a portion of his or her income to the FoodShare assistance group. To be actually contributing to shelter costs, for example, the person must pay toward the FoodShare AG's shelter costs.

A prorated share or share is an evenly divided portion of something. It is the whole broken into equal parts. Divide and distribute using either the number of persons or groups involved. The proration depends on the item being prorated and the reason for the person's disqualification from the FoodShare assistance group.

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4.7.4 DEEMING AND INELIGIBLE STUDENTS

[4.7.4.1 Student Income](#)

[4.7.4.2 Student Medical Expenses](#)

[4.7.4.3 Student Dependent Care Expense](#)

[4.7.4.4 Student Shelter Expenses](#)

[4.7.4.5 Student Utility Expenses](#)

4.7.4.1 Student Income

Do not *deem* any of the ineligible student's income to the FoodShare assistance group. Cash payments from the ineligible student to any of the eligible FoodShare assistance members will be counted as income to the group if those payments are regular and predictable.

Example 1: A food unit of four includes a FoodShare assistance group of three children and one parent who is an ineligible student. The parent is the only person in the food unit who has income and does not give a cash payment to the three children. None of the parent's income would be counted for the group.

Example 2: A food unit of three includes a FoodShare assistance group of two and one ineligible student. The ineligible student has an income of \$800 per month. The ineligible student pays one of the FoodShare assistance group members \$50 every month for the use of the member's car. The \$50 per month is counted as unearned income for the member who receives this money. The remaining \$750 per month of the ineligible student's income is not counted as income for the FoodShare assistance group.

4.7.4.2 Student Medical Expenses

Do not deem any of the student's medical expenses to the FoodShare assistance group.

4.7.4.3 Student Dependent Care Expense

Reduce the FoodShare assistance group's dependent care expenses by the amount the ineligible student actually pays or contributes to any dependent care charges.

4.7.4.4 Student Shelter Expenses

If the ineligible student contributes to the FoodShare assistance group's shelter expenses in a known dollar amount, or percentage, reduce the FoodShare assistance group's expenses by the amount contributed. Do not include utilities in this computation.

If the ineligible student contributes an unknown amount, compute the FoodShare assistance group's expense. Prorate the total of all shelter expenses by the number of persons actually contributing toward the payment. Do not include utility expenses in this computation.

Example 3: A food unit of nine includes a FoodShare assistance group of six and three ineligible students. Three FoodShare assistance group members and two ineligible students together pay shelter expenses of \$495. The prorated share is shelter cost divided by the number of contributors: $\$495/5 = \99 . The shares of the contributing FoodShare assistance group members is \$297 (three FoodShare assistance group members * $\$99 = \297).

4.7.4.5 Student Utility Expenses

Food units that are billed for utilities should receive a standard utility allowance. Food units that include ineligible members may receive a full standard utility allowance if at least one person in the food unit is billed for at least part of a utility bill.

Example 4: A food unit of seven persons includes a FoodShare assistance group of five and two ineligible students. They are billed for heat, electricity, and a phone and therefore receive the HSUA. One of the students pays toward the utility expense and one of the FoodShare assistance group members pays the rest. Do not prorate the standard. Budget the full HSUA as the utility expense for the FoodShare assistance group.

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4.7.5 PRORATED DEEMING

[4.7.5.1 Pro-rated Income](#)[4.7.5.2 Prorated Medical Expenses](#)[4.7.5.3 Pro-rated Child Support \(CS\) Payments](#)[4.7.5.4 Pro-rated Dependent Care Expenses](#)[4.7.5.5 Pro-rated Shelter Expenses](#)

Pro-rated deemers include individuals disqualified from FoodShare eligibility due to:

1. Non-qualifying immigration status, or
2. Failure to provide or apply for a social security number, or
3. Non-exempt ABAWDs
 - a. Who have used their three time-limited benefit months, and
 - b. Are not meeting the ABAWD work requirement or an exemption, and
 - c. Are no longer eligible for FoodShare benefits, and
 - d. Have not been determined ineligible within a food unit of other eligible members.

Note: When performing a manual calculation, do not include pro-rated deemers in the FoodShare assistance group when:

- Determining the amount of the FoodShare benefit allotment,
- Assigning a standard deduction to the FoodShare assistance group , or
- Comparing the FoodShare assistance group's monthly income with the income eligibility standards.

Example 1: Toby received three Time Limited Benefit months for January, February, and March. FoodShare remains open for Toby's girlfriend and cousin. Toby becomes a pro-rated deemer effective April 1. On May 12, Toby requests to be added back into the FoodShare assistance group. He has been working at Target since May 5. He works 10 hours per week, and provides paystubs for verification. When eligibility is run, Toby is found ineligible because he is not fully meeting the ABAWD work requirement and he will continue to be a pro-rated deemer.

Prorate the ineligible person's income and expenses between those in and out of the FoodShare assistance group. Calculate the amount of pro-rated income and expenses to *deem* to the FoodShare assistance group separately.

4.7.5.1 Pro-rated Income

CARES deems earned and unearned income correctly. Enter the gross income on the appropriate page. Review the eligibility determination on the budget page before confirming.

To manually calculate deemed income:

If the ineligible individual has unearned income:

1. Determine his or her total nonexempt unearned income.

2. Add the number of members in the FoodShare assistance group to the number of ineligible persons in the food unit.
3. Divide the amount in 1 by the total in 2.
4. Multiply the result in 3 by the number of FoodShare assistance group members. Deem the result to the FoodShare assistance group.

Example 2: A food unit of five includes a FoodShare assistance group of three and two persons who are ineligible immigrants. One ineligible immigrant has nonexempt unearned income of \$128 per month. The figures using the formula above are:

1. \$128;
2. $3+2=5$;
3. $128/5=25.60$;

$25.60 * 3 = \$76.80$. \$76.80 is the FoodShare assistance group's share of the unearned income.

If the ineligible individual has earned income:

1. Determine his or her total nonexempt earned income.
2. Add the number of members in the FoodShare assistance group to the number of ineligible persons in the food unit.
3. Divide the amount of income in step #1 by the total in step #2. This will be the amount of income allotted to each person in the food unit.
4. Multiply the result from step #3 calculation by the number of eligible FoodShare assistance group members.
5. Allow the 20% earned income deduction.
6. Deem the appropriate income to the eligible FoodShare assistance members as unearned income.

Example 3: A food unit of four includes a FoodShare assistance group of two eligible members and one person who is an ineligible immigrant, and one who is an ineligible student. The ineligible immigrant has gross monthly earned income of \$734.98.

Step 1: Gross income = \$734.98.

Step 2: Eligible members = 2 + 2 ineligible members = 4 total food unit.

Step 3 & 4: $\$734.98/4 = \$183.74 \times 2 = \$367.48$ (enter this amount on earned income page).

Step 5: *CWW* will allow the 20% earned income deduction $\$367.48 \times .20 = \73.50 .

Step 6: *CWW* will deem $\$367.48 - \$73.50 = \$293.98$ (budgetable income) to the 2 eligible members as unearned income (see budget).

4.7.5.2 Pro-rated Medical Expenses

Do not deem any of the ineligible person's payments for medical costs for his or her own care as expenses of the FoodShare assistance group. Deem to the group a pro-rated amount of medical expenses for a FoodShare assistance group member's care billed to

or paid by the ineligible person. Prorate using a ratio of group members to food unit members.

Example 4: The FoodShare assistance group includes a person who is disabled and incurs \$84 a month in medical expenses. A [SSN](#) ineligible food unit member pays the full \$84.

The food unit numbers four persons: one ineligible member and three FoodShare assistance group members. The ratio of FoodShare assistance group members to food unit members is 3:4.

The FoodShare assistance group's share is $\frac{3}{4}$ of the expense.

$\$84 / 4$ (food unit members) = \$21.

$\$21 * 3 = \63 (FoodShare assistance group's share).

The medical deduction policy allows only the amount over \$35 as a deduction.

The deduction is \$28 ($\$63 - \$35 = \28).

If there were two SSN ineligible persons in the food unit, the ratio would be 2:4. Deem to the FoodShare assistance group $\frac{1}{2}$ of the medical expense in calculating its medical deduction. This is true even if only one of the ineligible food unit members was billed for or paid any of the eligible member's medical costs.

Example 5: A three person food unit includes a FoodShare assistance group of two and an ineligible immigrant. The ineligible immigrant pays \$90 a month toward the elderly group member's \$91 monthly medical expense. The FoodShare assistance group pays \$1. The FoodShare assistance group's share is $\$1 + \frac{2}{3}$ of the remaining \$90. $\frac{2}{3}$ of \$90 is \$60. $\$60 + \$1 = \$61$. $\$61 - \$35 = \$26$. The FoodShare assistance group receives a \$26 medical deduction.

4.7.5.3 Pro-rated Child Support (CS) Payments

Deem to the FoodShare assistance group a pro-rated share of the amount of court ordered *child* support actually paid by the ineligible member to a non-household member. Deduct all but the ineligible member's pro-rated share from the household income.

Example 6: A food unit of four includes three FoodShare assistance group members and one ineligible immigrant. The ineligible immigrant pays \$100 legally obligated child support. The pro-rated share is \$25 a person ($\$100 / 4$). The FoodShare assistance group's pro-rated child support deduction is \$75 ($\$25 * 3$), or $\frac{3}{4}$ of the total payment.

4.7.5.4 Pro-rated Dependent Care Expenses

Deem to the FoodShare assistance group a pro-rated share of the amount of the food unit's dependent care costs (Dependent Care Unit) paid by or billed to the ineligible person.

Example 7: A food unit of five includes three FoodShare assistance group members and two ineligible immigrants. The food unit's monthly dependent care costs total \$275. An ineligible food unit member is billed for a portion of that total. One share is \$55 ($\$275/5$). The FoodShare assistance group's pro-rated expense is \$165 ($\$55 * 3$), or $3/5$ of the total costs.

4.7.5.5 Pro-rated Shelter Expenses

Shelter expenses either billed to or paid by ineligible members are pro-rated among all members of the food unit, including all other ineligible (non-contributing) food unit members. Add the pro-rated shares of the eligible FoodShare assistance group members together to find the budgeted amount. Do not count the pro-rated portion for the ineligible member. Do this for shelter costs only but not for utility expenses.

The only exception is when only the income of eligible members is used to pay the entire shelter amount. This is regardless of whether there was a bill or who was billed. The FoodShare assistance group is entitled to the entire expense in this case.

Example 8: A household of seven includes a food unit of six and a FoodShare assistance group of four. The household contains two ineligible immigrants who are in the food unit because they purchase and prepare together, a mother, her two children, her boyfriend, and a friend who doesn't purchase or prepare with the unit. Immigrant 1 and mother are responsible for the rent of \$600 a month. Divide the shelter expense by the number of food unit members and multiply that by the number of remaining FoodShare assistance group members. $\$600/6 = \100 . $(\$100) * 4 = \400 . Budget \$400 as the rent amount. Show your calculation in case comments.

Example 9: Using the same household, assume the rent of \$600 is divided between the friend, the mother, and Immigrant 1. Do not count the friend's portion of the rent when prorating. The food unit's share of the rent is \$400. Divide the shelter expense by the number of food unit members and multiply that by the number of remaining FoodShare assistance group members. $\$400/6 = \66.66 . $(\$66.66) * (4) = \266.66 . Budget \$266.66 as the rent amount. Enter the calculation in case comments.

Example 10: Using the same household, assume that the rent and utilities are supposed to be shared between the mother and Immigrant 1. However, Immigrant 1 is refusing to pay and the mother is paying the entire rent and utilities. In this case, budget the entire expenses for the FoodShare assistance group.

Example 11: Using a different household than those mentioned above or below, assume a family of six has applied for FoodShare. The mother, father and two older siblings are ineligible immigrants. The two youngest siblings are citizens and are the only FoodShare assistance group members. The shelter expense of \$575 per month is in the parents' names. The food unit = 6 and the FoodShare assistance group = 2. Even though the children are not specifically obligated to pay the expenses, prorate a share of the expenses to the FoodShare assistance group. $\$575/6 = \95.83 . $95.83 * 2$ FoodShare assistance group members = \$191.67. Budget \$191.67 as the FoodShare assistance group's shelter expense.

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[View History](#)

4.7.6 GROSS DEEMING

7 CFR 273.22(c)(1)

Gross deemers include individuals disqualified from FoodShare eligibility due to:

1. [IPV](#) disqualification ([3.14.1](#)),
2. Fleeing felons ([3.19.1](#)),
3. Probation or parole violators ([3.19.1](#)),
4. Drug felony sanction ([3.20.1](#)), or
5. Work registrant sanctions ([3.16.1.4](#)).

Count these ineligible individuals' income and expenses as if he or she was a member of the FoodShare assistance group. Do not include them in the group to determine the amount of the FoodShare benefit allotment, assigning a standard deduction to the group, or when comparing the group's monthly income with the income eligibility standards. The FoodShare assistance group's benefit allotment cannot be increased as a result of the exclusion of one or more food unit members.

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5 SPECIFIC PROGRAMS

[View History](#)

5.1.1 TRANSITIONAL FOODSHARE BENEFITS (TFS)

[5.1.1.1 TFS Introduction](#)

[5.1.1.2 TFS Benefit Calculation](#)

[5.1.1.3 TFS Change Reporting Requirement](#)

[5.1.1.4 Sanctions and TFS](#)

[5.1.1.5 TFS Policy Exception](#)

[5.1.1.6 TFS and Companion Cases](#)

[5.1.1.7 Renewal during the TFS Benefit Period](#)

[5.1.1.8 Renewal when the TFS Benefit Period Expires](#)

5.1.1.1 TFS Introduction

Transitional FoodShare (TFS) benefits automatically extend FoodShare benefit eligibility for five months to FoodShare assistance groups whose Wisconsin Works (*W-2*) or Tribal *TANF* (TT) cash assistance ends as long as:

1. The member was part of an active FoodShare case in the benefit month and the month the last W-2 or TT payment was issued, **and**
2. The member was receiving a W-2 or Tribal TANF payment. This does not include W-2 Trial Job Placements or Transitional Jobs case managed by a W-2 agency.

FoodShare assistance groups are not eligible for TFS after Wisconsin Works (W-2) or Tribal TANF (TT) cash assistance ends when:

1. The W-2 or TT payment is sanctioned to zero for nonparticipation, **or**
2. All FoodShare assistance groups members lose FoodShare eligibility due to:
 - a. An intentional program violation;
 - b. Failure to comply with a work requirement;
 - c. Ineligible student status;
 - d. Ineligible immigrant status;
 - e. Failure to provide information necessary for determining eligibility or failure to complete a renewal.;
 - f. Assets of an [EBD](#) noncategorically eligible FoodShare member were divested for the purpose of qualifying or attempting to qualify for the program;
 - g. Dual FoodShare participation, **or**
 - h. Status as a fleeing felon.

5.1.1.2 TFS Benefit Calculation

The TFS allotment is calculated using the income (less the W-2 payment), expenses, and FoodShare assistance group size from the month prior to the last W-2 cash

5.1.1 Transitional FoodShare benefits (TFS)

payment (benefit determination month). This amount is frozen for the next five consecutive months, regardless of the number of months remaining in the most recent certification period for regular FoodShare. A new 12 month certification period will begin when the FoodShare assistance group reapplies and is eligible for FoodShare at the end of the TFS benefit period.

If a change is reported or becomes known to the agency, the change will be acted upon at time of reapplication at the end of the TFS benefit period.

If the initial W-2 placement is valid the participant is eligible to receive TFS benefits when the W-2 payment ends. This includes cases where some of the W-2 payments may be recouped from the FoodShare assistance group because the member failed to report a change or the IM worker did not end the placement correctly. If the initial W-2 placement was based on fraudulent information and the total W-2 payments are being recovered, the household is not eligible for the TFS benefit. Calculate the correct FoodShare benefit based on non TFS criteria for the months the household was incorrectly open for TFS to determine if there is an over/under payment.

5.1.1.3 TFS Change Reporting Requirements

The food unit has no change reporting requirements during the five-month TFS benefit period. Changes reported and acted upon for other programs will not change the TFS benefit amount. When a TFS case moves to another county, a renewal is not required to continue TFS.

Exceptions

If it is reported that the primary person moves out of the TFS FoodShare assistance group, the TFS benefit will end and the case will close.

If the agency becomes aware that a TFS FoodShare assistance group moves out of state, the FoodShare assistance group's TFS benefits should end.

5.1.1.4 Sanctions and TFS

If a FoodShare assistance group member is sanctioned by W-2 in the benefit determination month his or her individual participation status will be frozen for the five month TFS benefit period. If the W-2 or TT benefit is sanctioned to zero (but W-2 remains open) in the benefit determination month, the FoodShare assistance group is not eligible for TFS.

5.1.1.5 TFS Policy Exception

Dual participation in FoodShare Wisconsin is prohibited. The only time a TFS benefit allotment amount changes within the five-month period is if a TFS group member moves out and becomes eligible to receive FoodShare in another case. The TFS group's benefit amount will be reduced due to the change in group size. The allotment

amount will be adjusted to the new household size. Income and expenses used in the original TFS benefit determination will remain the same even if the income or expenses belonged to the individual who left the group. This recalculated benefit amount will remain the same for the remainder of the five-month benefit period. Should that same person move back into the original TFS group, the benefit amount will remain at the reduced amount for the rest of the five-month period.

The dual participation policy is explained to the FoodShare member in the initial TFS notice and an additional notice will be sent if the allotment is reduced.

Example 1: Sally and her two roommates share the same apartment and receive FoodShare on the same case. Sally stopped receiving her W-2 payment in June because her only *child* graduated from high school and moved out. The FoodShare assistance group consisting of Sally, her son and her two roommates receive TFS for five months. The FoodShare assistance group size and the allotment did not change because Sally's son never applied for his own FoodShare benefits after he moved out of the household.

If Sally's son begins receiving FoodShare in another case, Sally's FoodShare benefit would be reduced automatically at adverse action.

If a TFS group reports that they moved into a household with individuals who are required to be included in the same food unit as the TFS food unit, the newly configured food unit must decide whether to:

1. Reapply for regular FoodShare with the new members and end the TFS benefit; or
2. Add the new household members to an open TFS case (the TFS benefit amount is frozen and will not increase if new members are added), or
3. Add the TFS members to the existing regular food unit and end the TFS.

Example 2: Rosa, a 20 year-old mother of two, received her second TFS benefit allotment in June. Rosa called her IM worker to report a change in address and that she and her children are now living with her parents (who also have an open FoodShare case). The IM worker explained that because Rosa is under 22, she must be included in the same food unit as her parents. She and her parents can decide whether to add the parents to the TFS case or if Rosa and her two children should join the parents' FoodShare case. The IM worker ran a simulated case that showed the benefit allotment would be greater if Rosa's parents were added to her TFS food unit. The parents' FoodShare case is closed and the IM worker adds Rosa's parents to her TFS case.

5.1.1.6 TFS and Companion Cases

The entire assistance group, whether or not the individual members are included in the W-2 assistance group, are eligible for TFS if a W-2 or TT cash payment ends.

Example 3: Simon, along with his two brothers, lives with their sister, Dana, and her two children. They are all part of Simon's assistance group. Dana has been receiving a monthly W-2 payment but recently started a new job. Dana receives her last cash payment July 1st. Dana's W-2 payments ending makes Simon's entire FoodShare assistance group eligible for TFS. Simon's TFS benefit period will begin August 1st and the TFS benefit includes himself, his two brothers, their sister, Dana, and her two children.

A FoodShare assistance group that includes two W-2/TT groups who both receive a cash payment would be eligible for TFS if one W-2 or TT group stops receiving a W-2 or TT cash payment. If the other W-2 or TT group stops receiving a W-2 or TT payment during the five month benefit period, the TFS benefit amount remains frozen at the original amount. No additional months are added to the TFS five-month benefit period.

5.1.1.7 Renewal during the TFS Benefit Period

TFS groups may request a renewal for regular FoodShare at any time during the five-month TFS benefit period. If a group requests to end their TFS benefits and be recertified for regular FoodShare benefits, the IM worker can determine a regular FoodShare allotment amount. The member has the choice of which allotment they will receive. If the member chooses to receive regular FoodShare benefits and end the TFS benefit, a renewal including an interview must be completed.

5.1.1.8 Renewal when the TFS Benefit Period Expires

The TFS benefit period will end after five consecutive months. To continue receiving FoodShare benefits, the group must complete a renewal, including an interview, before the end of the 5th month in the TFS benefit period. The agency is responsible for scheduling the interview or pending for interview with On-Demand model ([2.1.3.1](#)) and making a benefit determination to meet the standard 30 day processing requirement. If benefits are not issued within 30 days, due to agency delay, the food unit is entitled to a continuation of TFS benefits until the determination is made. Delays caused by the food unit will result in a FoodShare denial. Information known to the agency and any adjustments to the cost of living must be included as part of the redetermination for regular FoodShare.

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[View History](#)

5.2.1 FS-E

FS-E is a FoodShare program for elderly, blind, and disabled (EBD) individuals. EBD individuals and their co-residing spouses, if applicable, may be a separate food unit, even if they are living and eating with others, as long as all three of the following criteria are met:

1. The EBD individual is age 60 or older;
2. The EBD individual cannot purchase and prepare his or her own meals because of either:
 - a. A disability the SSA considers permanent, or
 - b. Some other permanent physical or mental non disease-related, severe, permanent disability; and
3. The gross monthly income of all other persons with whom the EBD individual (and spouse, if any) resides with does not exceed 165% of the FPL for the number of others in the household. When computing gross income to compare to the 165% FPL, do not include any income of the EBD individual or his or her spouse.

Example: Carl and Betty, ages 70 and 59 respectively, are spouses who live in the same household with their daughter, Tammy, and her two children. Carl has dementia and is unable to purchase and prepare his own meals. Tammy's income is below 165% FPL. Since all of the required criteria are met, Carl and Betty can be treated as a separate food unit from their daughter Tammy's food unit.

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5.3.1 DISASTER SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (DSNAP) FOR VICTIMS OF NATURAL DISASTERS

[5.3.1.1 DSNAP Introduction](#)

[5.3.1.2 DSNAP Applications](#)

[5.3.1.3 Verification Requirements](#)

5.3.1.1 DSNAP Introduction

Disaster Supplemental Nutrition Assistance Program (DSNAP) policies are used after affected areas have received a Presidential major disaster declaration and the United States Secretary of Agriculture officially declares a food emergency. The state will notify the appropriate county/tribal/*W-2* FoodShare agencies when this happens and work with the local agencies to provide DSNAP benefits.

The rules for DSNAP are significantly different from the regular FoodShare program. For example, immigrant status, student status, failure to provide a *SSN*, work

5.3.1 Disaster SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (DSNAP) for Victims of Natural Disasters

requirements and disqualification status (*IPV*) from regular FoodShare are irrelevant when determining DSNAP benefits. However, committing an IPV in the DSNAP period **will** count towards disqualification for regular FoodShare .

Eligible residents in the affected areas can receive a one-time DSNAP payment equal to the maximum allotment for their household size. Current FoodShare members affected by the disaster may have their monthly benefit increased to the maximum allotment for the month the disaster occurred. To be eligible for the DSNAP benefit, applicants/members must apply during the application period for the disaster. FoodShare assistance groups that have received replacement benefits as a result of the disaster can still receive the DSNAP benefit up to the allotment maximum.

See [7.1.1.5 Replacement Issuance for Destroyed Food](#) for the policy on Replacement Issuance for Destroyed Food.

5.3.1.2 Disaster Supplemental Assistance Program (DSNAP) Applications

All DSNAP applications must be completed in person by the disaster victim or their authorized representative. This includes the interview process.

Benefits must be provided as soon as possible. Process all DSNAP applications as priority service and schedule for a same or next day interview. Registration staff should be informed about anticipated DSNAP applications, and instructed to not enter income when screening applicants for priority services.

New Applicants

New applicants must complete and sign the Disaster FoodShare Wisconsin Assistance Application ([F-16060](#)). The IM agency will use this paper form to manually determine eligibility. Applicants for DSNAP benefits who wish to apply for ongoing FoodShare benefits may do so, but will be required to follow the regular application process in order for the IM agency to determine eligibility for ongoing benefits.

Current Members

FoodShare assistance groups currently receiving benefits who want to receive a supplement to increase their regular benefit amount to the maximum allotment for their family size must complete and sign the Affidavit of Lost Income or Disaster-Related Costs (F-16106) to receive the increase in the allotment.

5.3.1.3 DSNAP Verification Requirements

Applicant's Information	Status	Suggested ways to verify
Identity	Mandatory	<ul style="list-style-type: none">• Photo ID Two documents that verify identity and residency• A signed affidavit from a collateral contact attesting to the identity of the

		<p>applicant.</p> <ul style="list-style-type: none"> For additional sources of verification see 1.2.6.1 Required Verification to Determine Eligibility
Residency	When Possible	Utility bills, tax bills, insurance policies, driver's licenses, other ID with address , bills, or other documents that establish the applicant's home or work address.
Household Composition	If Questionable	After taking the application, ask applicant to orally list the names, ages, and birthdates of all household members.
Loss or inaccessibility of liquid resources or of income	Where Possible	Obtain a list of banks that were closed due to the disaster and compare with damage maps. Remember that in this day of ATM cards and electronic transmission, few liquid resources are truly inaccessible.
Food Loss	If Questionable	Check with the power company. Note: A power outage lasting over four hours can cause food spoilage.

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6 ONGOING CASE MANAGEMENT

6.1 CHANGES

[View History](#)

6.1.1 CHANGE REPORTING

7 *CFR* 273.12

[6.1.1.1 Change Reporting for EBD Food Units with No Earnings](#)

[6.1.1.2 Change Reporting for All Other Food Units \(Reduced Reporting\)](#)

Change reporting policy depends on the type of food unit. There are two:

1. [EBD](#) food units with no earnings, or
2. All other food units

6.1.1.1 Change Reporting For EBD Food Units with No Earnings

Elderly, Blind, or Disabled (EBD) food units are those where all food unit members are elderly, blind, or disabled. If no one in this food unit has earned income, these food units are required to report the following changes within 10 days:

1. Number of people in the home:
 - a. When a person is born or dies
 - b. When someone moves in or out
2. Income:
 - a. Unearned: New source- increases of more than \$100 per month in [child](#) support income; increases of more than \$50 per month in other types of unearned income.
 - b. Earned: Changes in the source of income (a new job must be reported within 10 days from the start of the job, not from when the member received the job).
3. [Address](#)/Shelter Expense:
 - a. New address when a move takes place.
 - b. Change in shelter and utility expense obligations if a move occurs.
4. Any change in the legal obligation to pay child support.

Changes must be reported to the FoodShare agency within 10 days of the date the change is known to the food unit, except for reporting receipt of a new job. Then the change must be reported within 10 days from when the job starts.

6.1.1.2 Change Reporting for All Other Food Units (Reduced Reporting)

All other food units are only required to report if their total monthly gross income exceeds 130% ([8.1.1](#)) of the FPL for their reported food unit size. This change must be

6.1.2 Six Month Reporting Requirement

reported by the 10th of the month following the month in which the total income exceeded 130% of the FPL.

As long as a food unit's total income is less than 130% of the FPL, a food unit need not report changes in income, assets, address changes, household composition, etc. This is known as "Reduced Reporting" requirements.

If a food unit has reported total income exceeding 130% of the FPL for their food unit size, and the food unit remains open for FoodShare due to categorical eligibility, the food unit has fulfilled their change reporting requirement for the remainder of the FoodShare certification period.

The 130% of the FPL reduced reporting level is based on the food unit size determined at the most recently completed certification.

However, if any change is reported or becomes known to the agency, it must be acted upon.

ABAWDs subject to simplified reporting must report by the 10th of the month following a month in which their work hours fall below 80 hours per month.

See [5.1.1](#) for change reporting requirements for Transitional FoodShare (TFS) members.

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[View History](#)

6.1.2 SIX MONTH REPORTING REQUIREMENT

Food units certified for 12 months, and subject to reduced change reporting requirements, are required to submit a six-month report form (SMRF) in the sixth month of the certification period. Self-employment income that has already been averaged does not need to be re-verified, unless a significant change is reported.

- The following changes in income must be reported on the SMRF for FoodShare members:
 - A change of \$50 or more in unearned income based on the most recently verified amount.
 - Changes in earned income (from the most recently verified information) that must be reported includes:
 - Rate of pay,
 - Number of hours worked,
 - Loss of job,
 - Change from full to part-time, or

- New employment.
- Income verification at SMRF is only required for employment that meets the criteria listed above. An IM worker should not request verification of previously verified earned income that has not changed.
- Other changes that must be reported on the interim report are:
 - Household composition (persons that have moved in or out, including newborns)
 - New [address](#) and resulting changes in shelter expenses
 - Change in legal obligation to pay [child](#) support ([4.6.5](#))

The paper SMRF form and the online form are available to members on ACCESS Renew My Benefits (RMB) and will have the employment fields pre-populated to reflect the most recently verified information in CWW. This is the income that is being used in the current FoodShare benefit calculation.

An *adult* food unit member must sign the interim report form.

To be considered timely, a SMRF must be returned to the local agency by the fifth day of the process month (month six) If the food unit fails to return a timely SMRF, FoodShare will close effective the last day of the process month at adverse action.

If verification is needed the member has 10 days to provide verification from the date it is requested. If verification is not returned timely, the FoodShare assistance group will close. A FoodShare assistance group closed prior to the end of the report month may reopen for month seven without a new application if requested verification is received prior to the end of month seven. Benefits will be prorated from the date all SMRF requirements are met.

Example 1: Emma is certified for FoodShare from January to December, with a SMRF due in June. Emma returns the SMRF June 27 without verification of her income. Although Emma returned her SMRF at the end of the process month, the due date for verification extends into July because the IM worker must allow 10 days to provide verification. Emma provides the requested verification on July 2. Emma's certification period for FoodShare remains the same, January to December. Benefits go back to July 1 and are not prorated, as there was no break in service.

FoodShare may reopen without a new FoodShare application at SMRF under specific circumstances. Allow FoodShare to reopen at SMRF if the required action to regain eligibility is completed in the calendar month following the month the SMRF was due, as long as a complete SMRF is returned and verification requirements met, no later than the end of the seventh month of the certification period.

- If FoodShare closes for lack of SMRF, verification, or other reasons and the food unit takes the required action within the calendar month following the report

6.1.3 Timely Action on Reported Changes During the Certification Period

month, the agency shall reopen FoodShare and issue prorated benefits from the date the food unit took the required action.

- If FoodShare closes due to agency delay in processing a SMRF, benefits shall be restored back to the first of the month.

Example 2: Joe has an open FoodShare case with a certification period of April through March with a SMRF due in September. Joe fails to return a timely SMRF in September to his IM worker, Jayne, and FoodShare closes effective September 30.

Joe returns the SMRF with required verification on October 25, but he forgot to sign the form. Jayne returns the SMRF to Joe and indicates that he must return a signed SMRF by October 31 to avoid needing a new FoodShare application.

Note: The SMRF must have an action date on the View/Record Six Month Report Actions page that is in the process month otherwise [CARES](#) will continue to fail the case for lack of SMRF.

Joe returns the signed SMRF on October 31. Although Joe regains FoodShare eligibility October 31, FoodShare fail with a \$0 benefit for October and pass with a FoodShare benefit for November and December. The FoodShare certification period for Joe's case remains the same, April through March.

Had Joe returned a timely SMRF, but Jayne did not process the form until October, benefits would have been issued back to October 1, due to Jayne's late processing.

If Joe had returned the signed SMRF on November 1, which is beyond the month following the report month, FoodShare would have closed and he would need to reapply.

Note: This policy does not have an impact on Child Care SMRF processing.

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[View History](#)

6.1.3 TIMELY ACTION ON REPORTED CHANGES DURING THE CERTIFICATION PERIOD

[6.1.3.1 Processing Reported Changes](#)

[6.1.3.2 Changes "Verified on Receipt"](#)

[6.1.3.3 Changes That Cause an Increase in Benefits, Including Person Adds and Loss of Income](#)

[6.1.3.4 Sanction Request](#)

[6.1.3.5 Person Add Following a Sanction \(Re-request\)](#)

[6.1.3.6 Changes That Cause a Decrease in Benefits](#)

[6.1.3.7 Change Impact Matrix](#)

[6.1.3.8 Processing ABAWD Changes](#)

Changes can be reported timely or untimely. IM workers must act promptly on all reported changes. If verification is requested, a minimum of 10 days must be allowed for the member to provide the verification.

6.1.3.1 Processing Reported Changes

Request verification from the member as soon as possible, following the report of a change ([1.2.1](#)). To prevent “failure to act” agency QC errors, IM workers must act on reported changes within 10 days. As a best practice a worker should process the change as soon as possible and not wait until the 10th day.

Example 1: Barry reports on June 29 that he started a job on June 19. His IM worker must request verification and allow Barry 10 days to provide it. If verification is requested on June 29, it will be due July 9. His IM worker will have time to process the verification and issue proper notice to Barry by adverse action in July. If the IM worker fails to act on the change by not requesting verification until July 9, Barry would have until July 19 to provide the verification, which is after adverse action. In this case it is likely that August benefits would be in error due to IM worker failure to act promptly on the reported change.

Lack of verification is a common cause of case closure. A new application for FoodShare is not always required under specific circumstances when FoodShare closes due to lack of verification during the certification period. Allow FoodShare to reopen without a new application when closing for lack of verification after a change is reported or discovered, as long as the requested verification is submitted in the calendar month following case closure. Benefits are prorated from the date the required action was taken.

Example 2: Julie is certified for FoodShare from March through February. Julie reports on April 5 that she began a job. Julie’s IM worker, Marcia requests verification of Julie’s job, due April 15. Julie fails to provide verification by the due date and FoodShare closes effective April 30. Julie provides Marcia verification of her job on May 8. Marcia reopens Julie’s FoodShare case without requiring a new FoodShare application and prorates benefits from May 8 forward. Julie’s certification period remains the same March through February.

FoodShare may also close for reasons other than verification. Allow FoodShare to reopen when a change in circumstances during the month following the month of case closure causes the FoodShare assistance group to regain eligibility, as long as the food unit takes the required action.

6.1.3 Timely Action on Reported Changes During the Certification Period

Example 3: Pam's FoodShare closes effective September 30 due to a pay increase at her job. Pam contacts her IM worker, Linda on October 8 to indicate her hours have been cut and she wants to reapply for FoodShare. Linda informs Pam that she has the option of reapplying for FoodShare or may provide verification of her new work hours to reopen FoodShare effective the date she provides the verification. Pam chooses to provide verification, which she submits on October 12. Linda reopens Pam's FoodShare with prorated benefits from October 12 forward.

Example 4: Joan's FoodShare closes effective October 31 as a result of her new roommate's earned income. Joan contacts her IM worker, Amy, on November 19 to indicate her roommate moved out and she wants to reapply for FoodShare. Amy provides Joan the option of reapplying for FoodShare or reopening her FoodShare effective November 19. Joan chooses to request Amy to reopen FoodShare without a new application. Amy removes the roommate from the case and re-determines a prospective estimate of Joan's income and expenses. Amy issues FoodShare benefits from November 19 forward.

6.1.3.2 Changes "Verified on Receipt"

Some examples of changes considered to be "verified on receipt" are:

1. Data exchange ([Process Help 44.1](#)) information that does not require further contact with the member,
2. Changes reported by a member that do not require further verification, or
3. Adequate verification submitted with a change report.

6.1.3.3 Changes That Cause an Increase in Benefits, Including Person Adds and Loss of Income

*7 CFR 273.12(c)(1)
FNS Memo 12/18/14*

All reported changes that cause an increase in the FoodShare benefit including person additions, increases in expenses, etc., will be effective the first of the month following the report month if required verifications are received within 10 days of the request for verification.

If verifications are not received within 10 days, and the FoodShare case is not closed for at least one day, make the change effective the first of the month following the month verifications are received.

Issue the appropriate supplement by the 10th day of the month the increase in benefits is effective.

Note: A person cannot be a member of more than one food unit and one FoodShare assistance group in the same month except residents of shelters for battered persons

and their children ([3.4.1](#)). Prior to adding a person from one FoodShare case to another, remove the person from the previous FoodShare case.

Example 5 (baby add):

- If Mike (a baby) is born June 25, and is reported June 27, supplement FoodShare effective July 1.
- If Mike (a baby) is born June 2, and is reported June 25, supplement FoodShare effective July 1.
- If Mike (a baby) is born June 27, and is reported July 1, add Mike effective August 1.

Example 6: Jule has an open FoodShare case with a certification period of February through January. Jule reports on March 25 that her sister Eve moved in on March 15. Jule's IM worker requests verification of Eve's eligibility information by April 4. Verification is not provided by April 4 and the FoodShare case closes effective April 30. Eve provides verification to the local agency on May 15. FoodShare reopened without a new application with benefits issued from May 15 forward. Jule's FoodShare certification period remains the same, February through January.

Example 7 (person leave): Lisa reports on March 5 that her husband left the home on February 27. The IM worker should re-determine the prospective estimate of Lisa's income for April and issue benefits for April based on the new estimate.

Example 8 (rent increase): Carol reports on March 25 that her rent is increasing for April. She submits verification of the increase to her IM worker on April 2, within 10 days. The IM worker makes the change to increase Carol's FoodShare benefit effective April 1 and issues a supplement for April.

If Carol had reported the rent increase on April 2, the FoodShare benefit increase would have been effective May 1.

6.1.3.4 Sanction Request

An IM worker should act on a sanction request immediately, but has 10 days to process the request. However, the IM worker should try to enter the sanction before the next adverse action ([6.3.1](#)) in *CARES*.

Example 9: The IM worker receives a sanction request for Jayne on June 12. The IM worker officially has 10 days to process the sanction. Adverse action is on June 18, the worker makes sure to act on the sanction before the 18th. However, if they do not, the case would not be in error unless he did not act on the sanction until after adverse action in July.

6.1.3.5 Person Add Following a Sanction (Re-request)

6.1.3 Timely Action on Reported Changes During the Certification Period

If an individual is requesting to be added to the FoodShare assistance group following:

- A disqualification for an [IPV](#), or
- Failure to comply with other FoodShare program requirements, or
- Was an ineligible immigrant.

Eligibility for the previously excluded person will be effective the first of the month following the period of disqualification, or the first of the month following his or her request to be added back to the FoodShare assistance group, whichever is later.

Example 10: Margaret’s husband David is sanctioned from August 1 – August 31 due to an IPV. Margaret calls on August 25 and requests that David be added back to the FoodShare assistance group on September 1. Verification is complete.

The IM worker adds David to the group effective September 1.

If Margaret’s request for David to be added back to the group was made on or after September 1, he would be added to the group effective the first of the month following the request.

6.1.3.6 Changes That Cause a Decrease in Benefits

7 CFR 273.12(c)(2)(i)

For reported changes that result in a decrease in benefits, process the change to allow for adequate negative notice to be issued to the member. If verifications are not received within 10 days, and the FoodShare case is not closed for at least one day, make the change effective the first of the month following the month verifications are received.

Example 11: Lisa reports on June 3 that her husband moved back into the home on May 29.

Lisa’s IM worker adds Roy to CARES and requests verification of his income. Roy’s income will cause a decrease in FoodShare benefits. Lisa provides Roy’s verification on June 10. Notice of a decrease in benefits is issued at adverse action in June and benefits are decreased for July.

If verification was not provided within 10 days, FoodShare benefits would close June 30 for failure to verify income. If Roy’s verification was submitted during the month of July, FS would reopen without requiring a new application. Benefits would be prorated from the date Roy’s verification was received by the agency.

6.1.3.7 Change Impact Matrix

Food Unit Type	Initial Certification	Change Reported	Date Change	Impact on Certification	SMRF Requirement?
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	Period and SMRF Requirement		Acted On	Period	
Regular	12 months - SMRF required	Homelessness or <i>Migrant</i> in household	Prior to adverse action in the 4th month of the certification period	CARES will shorten the certification period to 6 months requiring a review in month 6 to continue eligibility.	No
Regular	12 months - SMRF required	Homelessness or Migrant in household	After adverse action in the 4th month of the certification period	No effect on the original certification period of 12 months	Yes
Homeless or Migrant	6 months – No SMRF required	Reports securing housing or no longer migrant	Prior to adverse action in the 4th month of the certification period	Certification of 12 months with a SMRF requirement	Yes
			After adverse action in the 4th month of the certification period	Certification period stays at 4 months	No
<i>EBD</i> household with earnings*	12 months – SMRF required	Source of earnings ends	At any time during the certification period	No effect on certification period.	No
EBD without earnings	12 months – No SMRF required	New source of earnings	Prior to adverse action in the 4th month	No effect on certification period.	Yes
EBD without	12 months – No SMRF	New source of earnings	After adverse	No effect on certification	No

6.1.4 Changes in Expenses

earnings	required		action in the 4th month	period.	
TFS	5 months – No SMRF required	Changes other than death of PP, or loss of WI <u>residence</u> by PP	Any time during the certification period	No effect	No
TFS	5 months – No SMRF required	Death of PP or loss of WI residence by PP	Any time during the certification period	TFS closes – member must re-apply	N/A

6.1.3.8 Processing ABAWD Changes

When an exemption is reported and verified timely, the exemption is effective the first of the month of report or occurrence, whichever is later. If verification is received after the due date, the exemption is applied the first of the month in which verification is received. See [3.17.1.6 Verification of ABAWD Status from Time-Limited FoodShare](#).

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[View History](#)

6.1.4 CHANGES IN EXPENSES

Expense policy – see [4.6](#)

Expense verification policy – see [1.2.4](#)

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6.2 TRANSFERS

[View History](#)

6.2.1 INTERAGENCY CASE TRANSFERS

[6.2.1.1 Interagency Case Transfers Introduction](#)

[6.2.1.2 Processing Requests for FoodShare Cases Closed Less than a Calendar Month](#)

6.2.1.1 Interagency Case Transfers Introduction

7 *CFR* 273.3(b)

When a FoodShare case moves from one agency to another within Wisconsin, the agency is responsible for transferring the case from the old county of *residence* to the new county of residence. When an inter-county move is reported or discovered, the agency that is notified or discovered the move is responsible for collecting the necessary verification and transferring the case.

Once a case has been transferred to a new agency, it should not be transferred back unless the transfer-out agency has to process an overpayment or close out a *W-2* placement. If there are questions about the information entered on the case or problems with the way the case was transferred, the newly assigned IM worker should contact the previous IM worker to get the required information. Do not transfer the case back to the transfer-out agency to have the previous IM worker complete outstanding items.

Note:

- See [5.1.1 TFS Benefits](#) for policy related to transferring TFS cases
- See [7.1.1.7 Deny Benefit Increases Due To Penalties In Other Programs](#) for information on not increasing benefits for individuals who are penalized in other programs.

6.2.1.2 Processing Requests for FoodShare Cases Closed Less than a Calendar Month

If a FoodShare case assigned to the local agency has been closed for less than a calendar month, the local agency is responsible for processing the request for FoodShare benefits by either applying the break in service policy or by allowing the individual to complete a new application.

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6.3 NEGATIVE NOTICES

[View History](#)

6.3.1 NEGATIVE NOTICES (NOTICE OF ADVERSE ACTION)

7 *CFR* 273.13

A notice of adverse or negative action, regarding the termination or reduction of benefits must be mailed at least 10 days before the effective date of the action. When the last of these 10 days falls on a weekend or holiday extend the notice of adverse action period to the next working day. Continue or reinstate FoodShare benefits if an IM agency or the Division of Hearings and Appeals receives the fair hearing request the first day following the weekend or holiday.

The notice period will run from 10 to 13 days depending on the date the notice is mailed.

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[Contact Us](#)

6.4 FAIR HEARINGS

[View History](#)

6.4.1 FAIR HEARINGS

If the food unit disagrees with an agency action or the amount of FoodShare benefits, they may request a fair hearing. See the [Income Maintenance Manual](#) Ch. 1.2 Fair Hearings.

- A fair hearing must be requested within 90 days from the first day that a specific agency action impacted their FoodShare benefits. See example 1 below.
- A fair hearing may be requested at any time within a certification period if a food unit disagrees with their current amount of FoodShare benefits.

Example 1: On July 10 a worker makes a [CARES](#) entry to reduce FoodShare benefits effective August 1. The member has 90 days from August 1 to file a hearing request.

Note: CARES notices are programmed correctly to signify this date.

Food units appealing an agency decision by requesting a fair hearing must do so prior to the effective date of the change or termination in order to have their benefits continued at the previous level while the hearing is pending.

While the fair hearing is pending, issue the FoodShare assistance group the lost benefits as determined by the agency. Issue FoodShare based on the fair hearing decision, even if the benefits are undeliverable and returned to inventory. Do not require another fair hearing (when the fair hearing decision was made within the last 12 months) or any other administrative action before you restore lost benefits.

6.4.1.1 FSET Program Fair Hearings

The IM agency must notify the FSET agency when an FSET participant has requested a fair hearing. The IM agency must work with the FSET agency to gather appropriate information in preparation for the fair hearing. Both the IM agency and FSET agency are

required to attend the FSET fair hearing and provide requested documentation in advance of the hearing. Effective coordination and communication between the FSET agency and the IM agency is important to facilitate this process.

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7 BENEFITS

[View History](#)

7.1.1 ALLOTMENTS

[7.1.1.1 Initial Allotment](#)

[7.1.1.2 Initial Allotment for Migrant and Seasonal Farm Workers](#)

[7.1.1.3 Initial Allotments for Expedited Issuance](#)

[7.1.1.4 Minimum Allotment for One or Two Person Food Units](#)

[7.1.1.5 Replacement Issuance for Destroyed Food](#)

[7.1.1.6 Voluntarily Refunded Benefits Amount](#)

[7.1.1.7 Deny Benefit Increases Due to Penalties in Other Programs](#)

[7.1.1.8 EBT Benefit Issuance Calendar](#)

[7.1.1.9 Expungement](#)

Determine FoodShare benefit allotment amounts using the information provided in Chapters 1-6.

7.1.1.1 Initial Allotment

An initial FoodShare allotment is pro-rated from the application filing date, unless the pro-rated initial allotment amount is less than \$10. Initial allotments of less than \$10 are not issued. There is an exception for food units that include a *migrant* or seasonal farm worker and have continuing FoodShare eligibility ([7.1.1.2](#)).

Ongoing auxiliary amounts of \$1, \$3, and \$5 will continue to be rounded up to \$2, \$4, and \$6.

Example 1: Vera's case closed November 30. She reapplies on January 3 and is found eligible and will receive prorated benefits for January.

Do not pro-rate an allotment in the month following FoodShare case closure if closure is due to an agency delay ([2.1.1](#)). Benefits should go back to the 1st of the month.

Example 2: Jeff receives notice of an appointment for a renewal interview in the last month of his certification period (July), but cannot attend the appointment because he is working. Jeff asks to reschedule the appointment, but the next appointment the IM worker has available is August 5. Jeff completes the renewal interview on August 5, and provides all verification by August 8. Do not prorate benefits for August. Issue benefits from the first of the month. DOCUMENT in case comments the reason for the delayed renewal.

7.1.1.2 Initial Allotment for Migrant and Seasonal Farm Workers

The initial allotment is not pro-rated for food units that include a migrant or seasonal farm worker when at least one FoodShare assistance group member has participated in the FoodShare program during the 30-day period before application. These food units have continuing eligibility for FoodShare .

Example 4: A migrant food unit arrives in Wisconsin from Texas on April 20 and applies for FoodShare. Their FoodShare case closed in Texas on March 31. Their first month of eligibility (April) is not their initial month. Consider it a continuation of benefits and issue a full allotment for April.

Example 5: A migrant food unit arrives in Wisconsin on May 5 and applies for FoodShare. Their case closed on March 31 in Texas and they did not receive FoodShare benefits in April or May. The initial month of eligibility is May. Since it has been more than 30 days since the last receipt of FoodShare , pro-rate benefits from the date of application.

7.1.1.3 Initial Allotments for Expedited Issuance

Food units that have an application filing date after the 15th of a month and are found eligible for expedited issuance must receive a combined allotment for months one and two. This also applies to cases that are eligible for expedited benefits for month one, but not month two. As long as the filing date is after the 15th of the month, issue a combined allotment for both month one and two.

Example 6: Laurie applies for FoodShare on May 16. She has no income and meets expedited eligibility requirements. Laurie will be starting a job in June that will result in either less FoodShare or loss of FoodShare eligibility. Laurie's IM worker issues benefits for May and June. Verifications other than "identity" are waived.

7.1.1.4 Minimum Allotment for One or Two Person Food Units

Categorically eligible food units that include one or two persons are eligible for a minimum \$16 allotment, except for the initial pro-rated benefit.

7.1.1.5 Replacement Issuance for Destroyed Food

Replace food purchased with FoodShare benefits and destroyed in a household misfortune up to the actual amount destroyed but not more than the monthly allotment actually issued to the FoodShare assistance group that month, whichever is less.

A replacement issuance shall be provided only if a food unit:

1. Reports the loss orally or in writing to the agency within 10 days of the date the loss occurred.
2. Completes a "Request for Replacement FoodShare Benefits" ([F-00330](#)). This can be completed and dropped off at the agency, mailed, or faxed to the agency,

but must be received by the agency within 10 days of when the food unit reports the loss.

Note: The agency must include the 10 day due date, and consequences for failure to return this form timely. A manual verification request form should be issued to meet this requirement. (See [1.2.1.2 Request for Verification](#))

A replacement issuance must be provided to the FoodShare assistance group within 10 days after report of the loss. Verify the misfortune through the fire department, police department, a community organization such as the Red Cross, a collateral contact or home visit, etc.

Deny or delay a replacement issuance if available documentation indicates that the food unit's request for replacement appears to be fraudulent.

Inform the food unit of its right to a fair hearing to contest the denial or delay of a replacement issuance. Replacements shall not be made while the denial or delay is being appealed.

A food unit may experience such a loss more than once. There is no limit to the number of replacement issuances.

Note: Ensure you use the "905" replacement auxiliary code when issuing replacement benefits for destroyed food. This is essential for tracking purposes.

Example 7: Joyce received the maximum allotment for July, the month of the disaster. The food that Joyce stored in her basement freezer that was purchased with June benefits was also destroyed. Joyce is requesting a replacement for the food purchased in June and July. Joyce is eligible for replacement benefits up to the max allotment for July, but not for the food purchased with the June benefit.

Example 8: Kevin is a single individual receiving FoodShare monthly in the amount of \$200. Kevin completes the Affidavit of destroyed food stating his food spoiled due to a power outage on July 16, and he lost \$100 worth of food purchased with his July FoodShare benefits. The IM worker would verify the power outage with the Power Company and his replacement benefit amount would be \$100. The IM worker would look at the CWW EBT Transaction Detail screen to ensure he has spent \$100 prior to the power outage date in July.

Example 9: Mary and her daughter receive the maximum FoodShare benefit for a family of two of \$367. They have a fire on July 17th and she states all her food was destroyed. She had just gone to the grocery store the day before and used all her benefits. They complete the affidavit and are eligible to have their July allotment replaced for the amount of \$367.

Example 10: Steve and his [child](#) receive \$367 a month in FoodShare. There is a

power outage on the 10th of the month and the food in his refrigerator that he purchased with current months FoodShare has spoiled and he requests full replacement. However, the IM worker checks the "EBT Transaction Detail Screen" in the CWW and sees he only spent \$200 worth of his current month's benefits on food. His replacement will be for \$200. He still has a monthly benefit of \$167 in his account that he could still use after the power outage was fixed.

For policy related to replacing an issuance as the result of a disaster see [5.3.1](#).

7.1.1.6 Voluntarily Refunded Benefits Amount

FoodShare benefits may be returned because the FoodShare assistance group voluntarily refunds them. Document in case comments appropriately when benefits are voluntarily returned.

7.1.1.7 Deny Benefit Increases Due to Penalties in Other Programs

Do not increase a FoodShare assistance group's allotment when an individual's cash benefits under any other federal, state or local means-tested public assistance program are reduced for failure to perform an act required by the other program. Specifically:

1. Failure to comply with work programs, or
2. Failure to comply with school attendance requirements (Learnfare), or
3. An act of fraud under that program.

Example 11: A [W-2](#) participant intentionally fails to comply with a W-2 requirement and is sanctioned \$70.00 for non-participation. The W-2 group will only receive a check for \$603; however, the full amount of \$673 must be budgeted for FoodShare.

Means-tested public assistance programs include, but are not limited to, W-2 or the Refugee Assistance Program. *SSI* is not considered a means-tested program for these requirements.

Do not apply this policy if the food unit, or a new member in the food unit, is determined ineligible for the means-tested program at application. The food unit must already be receiving benefits, and the failure to comply must result in a reduction, suspension, or termination of those benefits.

No increase in the FoodShare allotment should be made for the duration of the penalty period. If other reductions or changes to the other program's benefits occur during the penalty period, which are unrelated to the failure to comply, the FoodShare allotment must be adjusted accordingly.

If the person or food unit is subject to a penalty period in both the FoodShare program and another program, apply the FoodShare penalty period first. If the other program's penalty period is longer, that penalty will continue after the FoodShare period is

completed. The prohibition on increasing benefits follows a person who moves from one food unit to another.

7.1.1.8 EBT Benefit Issuance Calendar

Benefit distribution is based on the eighth digit of the member's Social Security number. Please see the [FoodShare webpage](#) for a schedule of when benefits are distributed.

7.1.1.9 Expungement

If there has been no EBT card activity for at least 365 days, any monthly benefits that are older than 365 days will be expunged. The expungement occurs only for benefits that were issued more than 365 days in the past. Expungement may occur over multiple months if card inactivity continues (see [Process Help 80.7](#)).

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7.2.1 ELECTRONIC BENEFITS TRANSFER (EBT)

The EBT Guide was made obsolete in October 2007. See [Process Help](#) chapter 80 for information about EBT.

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7.3.1 BENEFIT OVERPAYMENT

[7.3.1.1 Overpayment Claims Against Food Units](#)

[7.3.1.2 Liability](#)

[7.3.1.3 Offsetting an Established Claim Amount](#)

[7.3.1.4 Exception](#)

[7.3.1.5 Moves](#)

[7.3.1.6 15% Local Agency Retention](#)

[7.3.1.7 Overpayments Due to Receipt of Tribal Food Distribution and FoodShare in the Same Month](#)

[7.3.1.8 Notice of Overissuance \(Overpayment\)](#)

[7.3.1.9 Overpayment Due to Client and Non-Client Error](#)

7.3.1.1 Overpayment Claims Against Food Units

7.3.1 Benefit Overpayment

Establish a claim against any food unit that has received more FoodShare benefits than it was entitled to receive.

There are three types of overpayment claims: client error, nonclient error, and Intentional Program Violation (*IPV*). Collect claims for all types of errors, regardless of the date of origin. Only collect the amount of the claim.

In claim calculations, *disregard* income that was not previously reported and was not required to be reported.

Historically, DHS has used the terms “overpayment” and “overissuance” interchangeably. As used in this handbook, these terms refer to the same concept.

7.3.1.2 Liability

7 *CFR* 273.18(a)(4)(i)

All adults or emancipated minors who were included in the food unit or should have been included in the food unit at the time the overpayment occurred are liable for the repayment of the overpaid FoodShare benefits. If a liable member moves to another food unit, responsibility of the overpayment is maintained and follows that member to the new food unit.

Liability for a FoodShare overpayment is not split evenly among liable parties. Liable individuals are responsible for 100% of the overpayment until the debt is repaid in full.

7 *CFR* 273.18(a)(4)(ii)

An authorized representative applying on behalf of a resident of a drug or alcohol treatment center, or a group living arrangement (GLA) (3.2.1.5), is responsible and liable for any FoodShare overpayments to the member due to misrepresentation or Intentional Program Violation which the authorized representative knowingly commits in the certification of treatment centers, GLA residents or individual representatives.

Example 1: Susan is receiving FoodShare, her daughter Jane is 21 and living with her. Since Jane is Susan's daughter, she must be included in the FoodShare determination with her mother (3.3.1.3), but the agency failed to include her. The overpayment must be calculated using Jane's income and information. Both Jane and Susan are liable for the overpayment.

Example 2: Ellen is receiving FoodShare for herself and her two children and fails to report the father of the children in the home. The father has earned income which causes an overpayment of benefits. The father must be and should have been added to the case (3.3.1.3) as if the change was reported timely. He is equally liable for the overpayment of FoodShare benefits.

7.3.1.3 Offsetting an Established Claim Amount

Offset an existing FoodShare overpayment (claim) with the calculated FoodShare underpayment (restoration) amount when both situations exist. Offset the claim against any amount that has not been restored to the FoodShare assistance group. You may offset a suspended or terminated claim amount against an underpayment amount.

7.3.1.4 Exception

An initial allotment must not be reduced to offset a claim. This includes retroactive initial allotments. Person Adds are not initial allotments. Therefore, the IM worker can offset claims against person add auxiliaries. Offset the entire auxiliary, if the claim balance is more than the auxiliary. If the claim balance is less than the auxiliary, *CARES* will correctly apply the amount of auxiliary that will zero out the claim and issue the remainder of the auxiliary as a benefit to the member.

7.3.1.5 Moves

Pursue collection of FoodShare claims even if the food unit moves out of a county/tribal area or out of Wisconsin.

The agency that overpaid benefits to the FoodShare assistance group has the first opportunity to collect an overpayment. If the agency does not act promptly to collect, and the group moves, the new agency can begin collection action. The new agency must contact the agency that overpaid the benefits to see if they intend to pursue collection.

7.3.1.6 15% Local Agency Retention

When the cause of overpayment is client error, the local agency that establishes the claim may keep 15% of any collection that is made against that claim.

When the cause of overpayment is an IPV, the local agency may, in some circumstances, keep 15% of any collection against the claim.

7.3.1.7 Overpayments Due to Receipt of Tribal Food Distribution and FoodShare in the Same Month

A FoodShare assistance group cannot receive commodities from a Tribal Food Distribution program ([3.11.1](#)) and FoodShare at the same time. Make a claim against any group that receives FoodShare in the same month it also participates in a Tribal Food Distribution Program. If the group receives:

1. FoodShare and then receives Food Distribution Program commodities in the same month, the Food Distribution agency must process the claim.

2. Food Distribution Program commodities and then receives FoodShare in the same month, the FoodShare agency must process the claim

7.3.1.8 Notice of Overissuance (Overpayment)

A Notice of FoodShare Overissuance ([F-16028](#)), a completed FoodShare Overissuance Worksheet ([F-16030](#)) and a FoodShare Repayment Agreement ([F-16029](#)) must be sent to the member for all types of claims.

Attempt a personal contact with the food unit in your initial collection efforts. The local agency may request the repayment be brought before the court or addressed in an agreement reached between the prosecutor and accused person.

All Repayment Agreements are due on the 25th of the month. In all cases, if the FoodShare assistance group is receiving FoodShare benefits, recoupment will take place. If the member signs and returns the repayment agreement, they are expected to make a monthly repayment in addition to the recoupment from the FoodShare benefit allotment.

If FoodShare benefits are not being issued and the member does not sign and return the FoodShare Repayment Agreement, dunning notices will be issued through CARES. The local agency may also pursue other collection action. The State of Wisconsin Public Assistance Collection Unit may also pursue collection action.

If the FoodShare assistance group fails to make a scheduled payment or underpays, send a dunning notice stating that the group must contact the local agency to renegotiate the payment schedule.

The FoodShare assistance group must either:

1. Negotiate a new schedule, or
2. Pay the overdue amount and continue to pay based on the previous schedule.

7.3.1.9 Overpayment Due to Client and Non-Client Error

A client error occurs when the overpayment was caused by an unintended error:

1. On the part of the food unit.
2. Due to continuation of benefits pending a fair hearing decision.

A non-client error occurs when the state or local agency:

1. Takes an incorrect action on a FoodShare case,
2. Fails to correct an action.

Do not establish a claim if an overpayment occurs because the agency did not ensure that a food unit did any of the following:

1. Signed the application form.

2. Completed a current work registration form.

Do not establish a claim when appropriate notice of a renewal or SMRF requirement was not sent due to an incorrect certification period in CARES.

Example 3: Mary's W-2 payment ended and she became eligible for TFS. CARES incorrectly set a 12 month certification period instead of a five month certification period. Because Mary did not receive a timely notice that her TFS benefits were ending after the fifth month, she would not be responsible for paying back any benefits that were issued incorrectly after the fifth month.

Do not establish a claim if Social Security or **SSI** updates from data exchange are incorrect. These updates cannot be recovered or found in error because the information comes from a trusted third party source.

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7.3.2 CALCULATING OVERPAYMENT CLAIM AMOUNTS

[7.3.2.1 Client and Non-Client Error](#)

[7.3.2.2 Collecting Client and Non-Client Error Claims Against Participating Food Units](#)

[7.3.2.3 Collecting Claims for Client & Non-Client Errors Against Non-Participating Food Units](#)

[7.3.2.4 IPV](#)

[7.3.2.5 Calculate IPV Claims](#)

[7.3.2.6 Allotment Reduction](#)

[7.3.2.7 Writing-Off Claims Against Non-Participating Food Units](#)

[7.3.2.8 Overpaid Claims](#)

[7.3.2.9 Timely Negative Notice](#)

[7.3.2.10 Tax Intercept](#)

[7.3.2.11 Notice & Review](#)

[7.3.2.12 Repayments](#)

7.3.2.1 Client and Non-Client Error

When calculating the overpayment, consider the food unit's reporting requirements. Do not use income or expenses, or changes in income and expenses that were not reported and were not required to be reported.

Use converted income to determine ongoing benefit eligibility for the overpayment calculation. Only use the income and expenses reported or required to be reported for

7.3.2 Calculating Overpayment Claim Amounts

each month of the overpayment period. In claim calculations, disregard income that was not previously reported and was not required to be reported.

The "Date of Discovery" is the date you become aware of the potential overpayment. This date is used to establish the look back period. The overpayment period begins with the date of discovery and extends back up to one year for non-client errors and up to six years for client errors. This look back period is the period of time during which the overpayment may have occurred.

From this point forward the term "Date of Discovery" will be synonymous with the "Date of Awareness." "Date of Discovery" will be used on all future correspondence. The intent of the policy is that both terms are part of a process to define the overpayment period. The overpayment period consists of the number of months during which there were overpayments within the look back period. The overpayment period begins with the first month had the change been reported timely and acted on timely. It would have been effective up to the month prior to when the case was corrected.

Client Error

Establish a claim for a client error that occurred when the food unit unintentionally:

1. Failed to provide correct or complete information.
2. Failed to report a change that was required to be reported.
3. Received FoodShare for which it was not entitled pending a fair hearing decision.

The look back period for client errors begins with the date of discovery (the day the IM worker discovered the potential that an overpayment may exist) and extends backward:

1. Six years, or
2. To the month the change would have been effective had the food unit timely reported it, whichever is most recent.

The overpayment period begins with the first month had the change been reported timely, and would have been effective up to the month prior to when the case was corrected.

It is essential that the date of discovery be documented in case comments. This date locks in the look back and overpayment period. This date will not change even if the overpayment is calculated untimely.

The month the change would have been effective cannot be more than two months after the change in circumstance actually occurred.

When determining if an overpayment occurred due to an unreported increase in total gross monthly income, compare the total actual unconverted income amount to the income reporting limit for the FoodShare assistance group size to determine if the income should have been reported.

In overpayment calculations, do not apply the 20% earned income disregard to earned income that was required to be reported but was not reported timely. Disregard income that was not previously reported and was not required to be reported due to reduced reporting requirements. If expenses were reported correctly at the time of the overpayment, use those same expenses when calculating the overpayment. If expenses were incorrectly reported, and subsequently verified (examples: the expense was considered questionable and the IM worker requested and received verifications, or the expense was verified through a QC review, or a WHEAP data exchange, etc.) use the verified amount in the overpayment calculation. If the IM worker knows the expense is incorrect and verification was requested but was not received, do not allow the expense in the overpayment calculation.

Earned income needs to be verified when determining income to be used in an overpayment calculation.

For Earned Income:

1. Dated check stubs of income that should have been reported that caused the overpayment.
2. Earnings reports, a statement from the employer, or ECF forms, signed by the employer, with all needed information.

Note: IEVS may indicate that income was earned from an employer sometime during three months of the work quarter. Do not use IEVS in calculations and overpayments.

Non-Client Error

Establish a claim for a non-client error that occurred when the agency:

1. Did not take prompt action on a change the food unit reported, or
2. Incorrectly computed the FoodShare assistance group's income or a deduction, or
3. Continued to give the group FoodShare after its eligibility ended, or
4. Did not reduce the group's FS to correspond with a W-2 , SSI, or GR grant increase.

The look back period for non-client errors begins with the date of discovery (the day the IM discovered the potential that an overpayment may exist) and extends backward:

1. Twelve months, or
2. To the month the error was effective had the change been acted on timely, whichever is most recent.

The overpayment period begins with the first month the change would have been effective up to the month prior to when the case was corrected.

It is essential that the date of discovery be documented in case comments. This date locks in the look back and overpayment period. This date will not change even if calculated untimely.

7.3.2 Calculating Overpayment Claim Amounts

In order to meet the established timeliness requirements, overpayment claims must be completed before the last day of the quarter following the quarter in which the IM discovered an overpayment. This holds true for both client and agency errors. Overpayment claims must be established and recovered even if they are not calculated within this timeframe. Overpayment claims must be established and recovered even if they are calculated late; failing to complete a claim within the given timeframe does not void the overpayment.

Example 1: At Jeff's renewal on June 5, 2012, he reported income of \$800 per month. His IM worker Marcia miscalculated Jeff's income and budgeted \$400 per month instead of the \$800 per month that Jeff reported. When Jeff submits his SMRF on December 5, 2012, Marcia discovers her error and corrects the case effective January 1, 2013. While reviewing Jeff's income, Marcia discovers that Jeff started a second job on August 1, from which he earns \$600 per month.

To calculate the overpayment, Marcia budgets the correct income amount of \$800 from the job Jeff reported. Marcia does not use the income in the overpayment calculation from the second job, because this income was not required to be reported due to reduced reporting requirements. Jeff reports this change on his December 2012 SMRF and this income is budgeted effective January 1, 2013.

- The date of discovery is December 5th, 2012.
- The look back period is December 2011 through December 2012 (non-client error).
- Had the June 2012 change been acted on accurately the change would have been effective July 1, 2012, therefore the overpayment period is July 1, 2012 through December 31, 2012.

Example 2: Margaret submitted a complete SMRF on April 22. On the SMRF Margaret reports her income decreased from \$700 to \$500. On May 20, Margaret's worker, John, discovers the error; he corrects the case effective July 1. While determining if Margaret has an underpayment, John learns that Margaret began a second job on May 1, from which she earns \$120 per month. The additional income does not put Margaret's income over 130% of the FPL, so she is not required to report the change until her next renewal is due, due to reduced reporting requirements.

- The date of discovery is May 20.
- The look back period is the past 12 months (non-client error).
- Had the April 22 change been acted on timely the change would have been effective June 1, therefore the overpayment period is June 1 through June 31.

John does not use the income from Margaret's second job because it was not required to be reported.

Example 3: Matt submitted a complete SMRF on August 4, 2013. On August 8, 2013 Matt's IM worker John discovers that Matt started a job on April 5, 2013 that should have been reported because the income from this job puts him over the 130% FPL threshold. John corrects the case and closes the case effective August 31, 2013.

- The date of discovery is August 8, 2013.
- The look back period is August 2005 through August 2013 (client error).
- Had the April 5, 2013 change been reported timely (Simplified Reporting Requirements ([6.1.1.2](#)) apply here that since the unreported April 2013 income exceeds the 130% FPL for their FoodShare assistance group size This change must be reported by May10 of the month following the month in which the total income exceeded 130% of the FPL. The case would have closed effective June 1, 2013, therefore the overpayment period is June 1, 2013 through August 31, 2013.

7.3.2.2 Collecting Client and Non-Client Error Claims Against Participating Food Units

Establish collection of overpayment claims against participating food units unless:

1. The claim is collected through an offset, or
2. Claims are protected by the Federal Bankruptcy Code

Do not charge any interest on the claim.

If the member wishes to pay the whole claim at once, he or she may do so.

A participating food unit is one that is still open and receiving FoodShare benefits.

7.3.2.3 Collecting Claims for Client & Non Client Errors Against Non-Participating Food Units

Establish overpayment claims for non-participating food units only if the amount of the claim is \$125 or more.

A non-participating food unit is one that is closed and not receiving FoodShare benefits.

7.3.2.4 IPV

Establish a claim due to an Intentional Program Violation (*IPV*) only when one of these conditions exists. The food unit member:

1. Signs a waiver of the disqualification hearing, or
2. Signs a disqualification consent agreement after being referred for prosecution, or

7.3.2 Calculating Overpayment Claim Amounts

3. Is convicted of a FoodShare felony or found guilty of IPV in an Administrative Disqualification Hearing or judicial proceeding.

Conduct which may lead to an IPV determination for a member include:

1. Making false or misleading statements or misrepresenting, concealing or withholding facts to become eligible or to remain eligible for benefits, or
2. Committing any act that constitutes a violation of FoodShare regulations or state statutes relating to the use, presentation, transfer, acquisition, receipt or possession of FoodShare , i.e., trafficking FoodShare.

The cardholder is the only person who can make authorized purchases on his or her QUEST card to purchase food for the cardholder's FoodShare assistance group. However, cardholders may verbally authorize someone else to make purchases for them as long as the purchases are for the primary person's group.

An unauthorized individual who uses a QUEST card without the cardholder's consent is committing fraud. Unauthorized individuals using the card to make purchases for themselves without the cardholder's consent are also committing fraud. If the cardholder knows the card is in the hands of an unauthorized individual, both the cardholder and unauthorized individual may be accused of fraud.

Example 4: Ellen is receiving FoodShare for herself, and her two children. Ellen is sick and gives her QUEST card to a friend to buy food for the FoodShare assistance group, and her friend buys food for Ellen's family. Since she authorizes her friend to buy food for Ellen's family she is considered an authorized buyer even though there is not a form filled out.

Example 5: Steve is a single FoodShare member who has been in jail for the last four months. Steve gives his QUEST card to a friend to use while he is in jail. His friend is not buying food for Steve, the person eligible for the FoodShare benefits. His friend is an unauthorized buyer, and both are guilty of committing fraud.

If you have a pending IPV hearing, establish the claim as a non-client error. If the case has been referred to the DA for prosecution, discuss the claim establishment with the DA or your legal counsel.

If the DA or your legal counsel advises that processing a claim as a client error may create bias against an IPV judgment, do not process the claim until the IPV determination is made.

7.3.2.5 Calculate IPV Claims

For eligibility-related IPV claims, do not apply the 20% earned income deduction to earned income which was required to be reported, and was not reported timely. If expenses were reported correctly at the time of the overpayment, use the same

expenses when calculating the overpayment. If not, then do not use the expenses in the calculation.

In claim calculations, disregard income that was not previously reported and was not required to be reported.

For trafficking-related claims, establish the claim as determined by:

1. The individual's admission, or
2. The amount ordered through adjudication, or
3. The documentation that forms the basis for the trafficking charge.

Offset the IPV claim against any restoration amount owed to the FoodShare assistance group. Start collection action for the remaining balance.

You must collect an IPV claim previously handled as a client error claim. Start the IPV procedure for collection whenever a client error is later determined to be an IPV.

1. Enter the IPV information in [CARES](#) to recalculate the claim amount as an IPV type, and
2. Send the FoodShare assistance group a new Notice of FoodShare Overpayment showing IPV as the reason, and
3. Send a new Notice of Repayment Agreement.

Do not charge any interest on the claim.

IPV information is entered in CARES as soon as possible after the date of decision.

If the document does not contain the offense type, obtain more information from the party who issued the IPV. The Sanction Duration field should not be updated by IM workers unless it is necessary to override a sanction duration based on legal documents that indicate a different sanction duration period.

Sanction duration is the number of months a member is disqualified from receiving FoodShare. Code 999 is permanent disqualification. No sanction end date will appear if the sanction duration is 999.

7.3.2.6 Allotment Reduction

An overpayment due to any type of error will be recovered from a FoodShare assistance group participating in the program by reducing their allotment.

The type of error determines the amount that will be recovered each month.

1. Client/non-client error. CARES will reduce the allotment by the greater of 10% of the FoodShare assistance group's monthly allotment or \$10 each month. The \$10 minimum benefit level for one or two person groups applies before CARES reduces the allotment.

7.3.2 Calculating Overpayment Claim Amounts

2. IPV. CARES will reduce the allotment by the greater of 20% of the group's monthly entitlement or \$20 each month. The entitlement is the amount of benefits the group would have received if not for the disqualification of a FoodShare group member. The \$10 minimum benefit level for one or two person groups applies before CARES reduces the allotment.

CARES will not allow you to reduce the minimum deduction to less than \$10 for Client/non-client and less than \$20 for an IPV.

7.3.2.7 Writing-Off Claims Against Non-Participating Food Units

Claims against non-participating food units and FoodShare assistance groups may be written off if reasonable collection efforts have been made and the debt is determined to be uncollectable. Recommendation to write-off can be made if proper documentation is submitted to demonstrate that the claim meets any of the following criteria:

1. It is found to be invalid in a fair hearing, administrative or judicial decision.
2. It is against a food unit in which all [adult](#) members are deceased and the State does not plan to pursue collection against the estate.
3. It has been discharged through bankruptcy or a bankruptcy stay is in effect.
4. It cannot be substantiated from case records.
5. The state agency has determined, after exhausting collection efforts, that it is not cost-effective to collect the claim. If the request to write off the claim is made on this basis, the following criteria should be used:
 - a. The claim has an outstanding balance of \$24 or less and has been past due for 90 days or more.
 - b. The claim is from \$25 to \$499 and:
 - i. Three past due notices have been sent,
 - ii. It was referred for tax intercept, if the tax intercept was successful the account
 - iii. Should remain open for three years or until paid in full, and
 - iv. It has been past due for three years.
 - c. The claim is from \$500 to \$4999 and:
 - i. Three past due notices have been sent,
 - ii. It was referred for tax intercept (if the tax intercept was successful the account should remain open for five years or until paid in full),
 - iii. It has been considered for referral to a collection agency or credit bureau, and
 - iv. It has been past due for five years.
 - b. The claim is over \$5000 and:
 - i. Three past due notices have been sent,
 - ii. It was referred for tax intercept (if the tax intercept was successful the account should remain open for 10 years or until paid in full),
 - iii. It has been considered for referral to a collection agency or credit bureau, and
 - iv. It has been past due for 10 years.

Documentation of the following information is required:

1. The age of the claims,
2. Actions taken to collect, and
3. Documents relevant to the specific claim, e.g., death certificates, bankruptcy discharge orders, administrative or judicial decisions.

Recommendations for the writing-off of claims must be submitted to the Public Assistance Collection Unit P.O. Box 8938, Madison, WI 53708-8938.

7.3.2.8 Overpaid Claims

If a food unit has overpaid a claim, refund the amount overpaid as soon as you discover it. Request reimbursement from the Division of Enterprise Services. Follow the instructions in the Accounting Reports Manual, IV.

7.3.2.9 Timely Negative Notice

FoodShare benefits issued solely because the 10-day negative notice requirement cannot be met, are not an overpayment. Do not establish a claim or recover this type of issuance.

7.3.2.10 Tax Intercept

The State of Wisconsin Public Assistance Collections Unit uses tax intercept from both state and federal tax refunds to recover overpayments from anyone who has become delinquent in repayment of an overpayment.

To use tax intercept, the overpayment must be considered delinquent. Delinquency is defined as failing to make the monthly payment by the due date three times over the life of the debt. The collection system sends three dunning, or past due, notices for each of the three missed payments. The debt must meet all six of the criteria below:

	State	Federal
1	Valid and legally enforceable	Valid and legally enforceable
2	All error types	All error types
3	\$20	\$25
4	At least 30 days after the third notification of the tax intercept.	At least 120 days from notification of overpayment.
5	Free from any current appeals.	Free from any current appeals.
6	Incurred by someone who is not currently in bankruptcy.	Incurred by someone who is not currently in bankruptcy.

7.3.2.11 Notice & Review

State tax intercept notices include a 30 day fair hearing right. The Division of Hearings and Appeals conducts the fair hearing. Federal intercept notices have a 60 day administrative review process. The Public Assistance Collections Unit conducts the administrative desk review. The member must provide evidence showing the claim is not past due, or is not legally enforceable. If the member cannot provide that evidence, the case will be sent for intercept.

The case is not subject to the tax intercept while under review or appeal.

7.3.2.12 Repayments

A member who makes a repayment agreement may not be subject to tax intercept as long as he or she is meeting the conditions of the agreement. If a member's repayment agreement becomes delinquent, which is defined as three missed payments over the life of the debt and has been sent three dunning, or past due, notices, he or she is subject to both tax intercept and monthly repayment.

The policies for monthly repayments are listed on the repayment agreements:

1. Overpayments less than \$500 should be paid by at least \$50 monthly installments.
2. Overpayments \$500 and above should be paid within a three-year period either by equal monthly installments, or by monthly installments of not less than \$20.

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[View History](#)

7.4.1 BENEFIT UNDERPAYMENT

[7.4.1.1 Restoring Benefits Due to Underpayment](#)

[7.4.1.2 Calculating the Amount of the Underpayment](#)

[7.4.1.3 Notice of Underpayment](#)

[7.4.1.4 Method of Restoring](#)

7.4.1.1 Restoring Benefits Due to Underpayment

Restore FoodShare benefits when you discover a FoodShare assistance group received fewer benefits than it was entitled to receive. Only restore benefits if the food unit did not cause the underpayment. Do not restore benefits if the underpayment occurred more than 12 months before the month the underpayment is discovered.

Restore benefits even if the FoodShare assistance group is currently ineligible. The food unit does not need to request the restoration. Restore benefits as soon the underpayment is discovered.

The local agency servicing the FoodShare case handles the correction if the case is receiving FoodShare. If the case is closed, the county that last serviced the case corrects the error.

Restore benefits for a member disqualified due to an *IPV* only if the disqualification is reversed. Compare the allotment the FoodShare assistance group received with what it would have received if the disqualified member had participated. Restore the difference.

A request for a hearing is sufficient notification of FoodShare assistance group's request for restored benefits.

7.4.1.2 Calculating the Amount of the Underpayment

Restore the difference between the issued allotment and the correct allotment. Issue the restored benefits in addition to the FoodShare assistance group's regular allotment.

Consider the food unit's reporting requirements when calculating the underpayment. Do not use income or expenses, or changes in income and expenses that were not reported and were not required to be reported.

As part of application and renewal processing, determine if the food unit has any outstanding claims.

If there is a claim against the food unit, offset the claim against the amount to be restored. Complete this calculation or determine this amount before restoring any benefits to the FoodShare assistance group.

Example 1: Vera received \$200 in monthly FoodShare. She should have received \$220. She owes the agency \$10 from an overpayment (\$20 underpayment less \$10 overpayment = \$10) Issue a supplement of \$10.

If the FoodShare assistance group was eligible, but received an incorrect allotment, calculate the underpayment amount only for those months the group was participating in the program.

If the FoodShare assistance group was found ineligible erroneously, the date the loss first occurred is:

1. Incorrect denial or delayed application - use the application month.
2. Erroneously terminated - use the month the loss first occurred.
3. Incorrect denial of renewal - use the month following the expiration of the certification period.

Calculate the underpayment amount for each month the FoodShare assistance group was, or should have been, eligible. Use the food unit's income and expenses reported or required to be reported for each month of the adjustment period. Benefits cannot be restored beyond 12 months from the month the underpayment is discovered.

Example 2: On May 22, 2007 an IM worker discovers that benefits had been underpaid since February 2006. The IM worker counts back 12 months from May 2007 and restores benefits from June 1, 2006 to May 31, 2007.

To calculate an underpayment:

- Review the income/expenses in error. Do not review income/expenses that were not the cause of the error.
- Use the income that was reported or was required to be reported.
- Do not use the income in the calculation if the income was not reported and was not required to be reported.
- The above policy also applies to expenses.

Request any verification necessary to determine correct eligibility and benefit amounts. Do not reverify income/expenses that were not found in error. If requested verification is not provided in 10 days, a restoration is not made for the months the requested verification would have impacted eligibility or benefit amounts.

Example 3: On June 10, Brian's IM worker, Julie, discovers that she did not allow Brian the full dependent care deduction that he was eligible to receive since February 1. Julie uses the full dependent care deduction of \$200 per month to determine the difference between what Brian received in FoodShare and what he should have received from February to June. Julie does not request verification of Brian's income and other expenses because they were not found in error.

7.4.1.3 Notice of Underpayment

Notify the FoodShare assistance group of the restoration in writing. Include:

1. The entitlement to lost benefits.
2. The amount to be restored.
3. Any offsetting claims and the method of restoration.
4. Right to appeal.

If the documents to support entitlement to lost benefits are not obtained, the food unit may provide an affidavit explaining its entitlement. The affidavit is signed under penalty of perjury. The local agency, a food unit member, or the food unit member's designee may draft the affidavit.

7.4.1.4 Method of Restoring

Issue an allotment to correct the underpayment, regardless of current eligibility. If the FoodShare assistance group's composition has changed, restore benefits to the group containing the most FoodShare assistance group members when the loss occurred. If you cannot find or determine the group with the largest number, restore benefits to the primary person at the time of the loss.

Document your calculations and the reason for restoration in the case record.

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8 APPENDIX

8.1 TABLES

[View History](#)

8.1.1 INCOME LIMITS

[8.1.1.1 Income Limits](#)

[8.1.1.2 Regular SNAP Program Income Limits](#)

8.1.1.1 Income Limits

Effective 10/01/15

	Categorical Eligibility Income Limit	Elderly & Disabled Seeking Separate Food Unit Status	Income Change Reporting Threshold And Gross Income Limit For Non-Categorically Eligible Food Groups	Net Income Limit	Monthly Maximum FoodShare Allotment
FoodShare Group Size	Gross Monthly Income Limit (200% FPL)	Gross Monthly Income Limit (165% FPL)	Gross Monthly Income Limit (130 % FPL)	Gross Monthly Income Limit (100% FPL)	
1	\$1,962	\$1,619	\$1,276	\$981	\$194
2	\$2,656	\$2,191	\$1,726	\$1,328	\$357
3	\$3,350	\$2,763	\$2,177	\$1,675	\$511
4	\$4,042	\$3,335	\$2,628	\$2,021	\$649
5	\$4,736	\$3,907	\$3,078	\$2,368	\$771
6	\$5,430	\$4,479	\$3,529	\$2,715	\$925
7	\$6,122	\$5,051	\$3,980	\$3,061	\$1,022
8	\$6,816	\$5,623	\$4,430	\$3,408	\$1,169
9	\$7,510	\$6,195	\$4,881	\$3,755	\$1,315
10	\$8,204	\$6,767	\$5,332	\$4,102	\$1,461
Each additional member	+\$694	+\$572	+\$451	+\$347	\$146

8.1.1.2 Regular SNAP Program Income Limits

8.1.2 Allotment for monthly net income and FoodShare group size

Effective 10/01/15

	<u>EBD</u> Non Categorically Eligible	Regular <u>SNAP</u> <u>IPV</u> and Drug Felony	
FoodShare Group Size	Net Monthly Income Limit (100% FPL)	Gross Monthly Income Limit (130 % FPL)	Net Monthly Income Limit (100% FPL)
1	\$981	\$1,276	\$981
2	\$1,328	\$1,726	\$1,328
3	\$1,675	\$2,177	\$1,675
4	\$2,021	\$2,628	\$2,021
5	\$2,368	\$3,078	\$2,368
6	\$2,715	\$3,529	\$2,715
7	\$3,061	\$3,980	\$3,061
8	\$3,408	\$4,430	\$3,408
9	\$3,755	\$4,881	\$3,755
10	\$4,102	\$5,332	\$4,102
Each additional member	+\$347	+\$451	+\$347

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[View History](#)

8.1.2 ALLOTMENT FOR MONTHLY NET INCOME AND FOODSHARE GROUP SIZE

Current Allotment Table

Allotment by Monthly Net Income Effective 10/1/14 through 09/30/15

- FoodShare Group Size of [1-10 persons](#)
- FoodShare Group Size of [11-20 persons](#)

Prior Years' Allotment Tables

Allotment by Monthly Net Income and FoodShare Group Size Effective [11/01/13 through 09/30/14](#)

Allotment by Monthly Net Income and FoodShare Group Size Effective [10/01/13 through 10/31/13](#)

Allotment by Monthly Net Income and FoodShare Group Size Effective [10/01/12](#)
through [09/30/13](#)

Allotment by Monthly Net Income and FoodShare Group Size Effective [10/01/11](#)
through [09/30/12](#)

Allotment by Monthly Net Income and FoodShare Group Size Effective [10/01/09](#)
through [09/30/11](#)

Allotment by Monthly Net Income and FoodShare Group Size Effective [04/01/09](#)
through [09/30/09](#)

Allotment by Monthly Net Income and FoodShare Group Size Effective [10/01/08](#)
through [03/31/09](#)

Allotment by Monthly Net Income and FoodShare Group Size Effective [10/01/07](#)
through [09/30/08](#)

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[View History](#)

8.1.3 DEDUCTIONS

Effective 10/01/15

Deduction Type	Amount
Standard For groups with 1-3 people For groups with 4 people For groups with 5 people For groups with 6 or more people	 \$155 \$168 \$197 \$226
Dependent Care	Use total monthly costs.
Shelter and Utility Allowances Shelter Maximum Deduction HSUA (Heating Standard Utility Allowance)	 \$504 \$458

8.1.4 Disqualification For Divestment

LUA (Limited Utility Allowance)	\$293
EUA (Electric Utility Allowance)	\$119
WUA (Water and Sewer Utility Allowance)	\$78
FUA (Cooking Fuel Allowance)	\$46
PUA (Phone Utility Allowance)	\$30
TUA (Garbage and Trash Utility Allowance)	\$20
Shelter Maximum Deduction (non-EBD households)	\$504
Medical Allowance	Expenses over \$35

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[View History](#)

8.1.4 DISQUALIFICATION FOR DIVESTMENT

Use this table for divestments that occurred on or prior to 10/22/04.

Divested Assets Over the Group's Asset Limit	Number of Months Disqualified
\$>0 - \$249.99	One (1)
\$250 - \$999.99	Three (3)
\$1,000 - \$2,999.99	Six (6)
\$3,000 - \$4,999.99	Nine (9)
\$5,000 or more	Twelve (12)

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[View History](#)

8.1.5 ELIGIBLE FOOD ITEMS

A list of [Eligible Food Items](#) is found on the Supplemental Nutrition Assistance Program website. This website shows what food items may be purchased using FoodShare benefits.

People receiving their nutrition through Total Parenteral Nutrition (TPN) may be eligible for FoodShare benefits. Ultracal Fiber Nutritionally Complete Liquid Tube Feeding Formula, which can be taken orally or by feeding tube, is an eligible food item.

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8.2 WORKSHEETS AND FORMS

[View History](#)

8.2.1 WORKSHEETS AND FORMS

All Department of Health Services eligibility management forms (including FoodShare Wisconsin applications, forms and worksheets) are found at dhs.wisconsin.gov/em/imforms.htm.

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