



**COMBINED MANUAL  
DESCRIPTION OF CHANGES ATTACHMENT  
REVISED SECTIONS – ISSUED 02/2016**

The EFFECTIVE DATE of the changes is the same as the issuance date unless stated otherwise.

**0001 (Table of Contents)** adds 0018.13 (Transportation Expense). It also deletes 0017.15.33.06 (Self-Employment Common Business Expenses), 0017.15.33.09 (Self-Employment Expense for In-Home Business), 0017.15.33.12 (Self-Employment Transportation Expenses), 0017.15.33.15 (Self-Employment Expenses Not Allowed), 0017.15.33.18 (Self-Employment Loss Offset), 0017.15.33.21 (Self-Employment Income From In-Home Day Care).

**The following sections delete the cross-reference to 0017.15.33.18 (Self-Employment Loss Offset) as this section was deleted and adds a cross-reference to the SNAP Farm Loss Offset Policy Guide:**

0002.23 (Glossary: Fair Hearing...).

0018 (Determining Net Income).

0018.18 (Earned Income Disregards).

**0010.18.15 (Verifying Lawful Permanent Residence)** in general provisions deletes the former 4th paragraph and adds a new 4th paragraph with information about when a child born outside the U.S. automatically becomes a U.S. citizen.

**0011.03.09 (Non-Citizens - SNAP/MSA/GA/GRH)** in GA adds a new 3rd paragraph that current LPRs who were previously refugees, asylees, or had deportation withheld, can maintain their eligibility based on their previous status. It also in the 5th paragraph adds that the additional criteria do not apply to LPRs who were previously refugees, asylees or had deportation withheld.

**0012.12.03 (Interim Assistance Agreements)** in GA in the 3rd paragraph deletes redundant wording. It also in the 6th paragraph deletes that clients must sign a DHS-1795 and/or DHS-1795A annually and adds that they must sign the form whenever changes in their circumstances indicate they may be eligible for other maintenance benefits.

**0017.06 (Excluded Income)** in general provisions in the 3rd bullet deletes the cross-reference to 0017.15.33.21 (Self-Employment Income From In-Home Day Care) as this section was deleted.

**The following sections delete previous Self-Employment policy and add Simplified Self-Employment policy throughout. This change was EFFECTIVE 02/01/15:**

0017.15.33 (Self-Employment Income).

0017.15.33.03 (Self-Employment, Convert Inc. to Monthly Amt).

0017.15.33.24 (Self-Employment Income From Farming).

0017.15.33.27 (Self-Employment Income From Roomer/Boarder)

0017.15.33.30 (Self-Employment Income From Rental Property).

**The following sections are deleted and SNAP provisions moved to the SNAP Farm Loss Offset Policy Guide due to implementation of Simplified Self-Employment policy. This change was EFFECTIVE 02/01/15:**

0017.15.33.06 (Self-Employment Common Business Expenses).

0017.15.33.09 (Self-Employment Expense for In-Home Business).

0017.15.33.12 (Self-Employment Transportation Expenses) transportation deduction policy was moved to 0018.13 (Transportation Expense).

0017.15.33.15 (Self-Employment Expenses Not Allowed).

0017.15.33.18 (Self-Employment Loss Offset).

0017.15.33.21 (Self-Employment Income From In-Home Day Care).

**0017.15.36.09 (Student Financial Aid Deductions)** in SNAP, MSA, and GA deletes the cross-reference to 0017.15.33.12 (Self-Employment Transportation Expenses) as this section was deleted and adds a cross-reference to a new section 0018.13 (Transportation Expense).

**0017.15.84 (Contracts for Deed as Income)** in SNAP removes this income from being counted as self-employment income, and deletes the last paragraph about self-employment business expenses as they are no longer allowed.

**0018.06 (Work Expense Deductions)** in MSA deletes information about transportation expenses and the cross-reference to 0017.15.33.12 (Self-Employment Transportation Expenses) as this section was deleted and adds a cross-reference to 0018.13 (Transportation Expense).

**0018.12.03 (Allowable SNAP Medical Expenses)** in SNAP in the 8th bullet deletes reference to 0017.15.33.12 (Self-Employment Transportation Expenses) as this section has been deleted and adds a new cross-reference to 0018.13 (Transportation Expense).

**0018.13 (Transportation Expense)** is a new section with policy about the transportation expense.

**0027.12.03 (Appeal Hearing Expense Reimbursement)** deletes the cross-reference to 0017.15.33.12 (Self-Employment Transportation Expenses) as this section was deleted and adds a cross-reference to a new section 0018.13 (Transportation Expense).

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**FAIR HEARING**

The hearing conducted by the Department of Human Services Appeals Office to decide disagreements concerning eligibility determinations and benefit amount.

**FAIR MARKET VALUE**

The price an item would sell for on the open market in a local geographic area. See individual sections in [0015 \(Assets\)](#) for EXCEPTIONS and provisions.

**FAMILY**

MFIP, DWP : For the definition of FAMILY, see [0013.03 \(MFIP Bases of Eligibility\)](#), [0013.05 \(DWP Bases of Eligibility\)](#).

GA : The following people who live together:

- An applicant or participant client.
- The client's spouse.
- Any minor child of whom the client is a parent, stepparent, or legal custodian, and that child's minor siblings, including half-siblings, or step-siblings.
- The other parent of the client's minor child or children together with that parent's minor children, and, if that parent is a minor, his or her parents, stepparents, legal guardians, and minor siblings.
- If the person is a minor, the minor's parents, stepparents, or legal guardians, and any other minor children for whom those parents, stepparents, or legal guardians are financially responsible.

**FAMILY HOMELESS PREVENTION AND ASSISTANCE PROGRAM**

Provides grants to communities to help prevent homelessness, shorten stays in emergency shelters and assist families with securing housing. See [0029.20.09 \(Family Homeless Prevention Assistance\)](#).

**FAMILY MAINTENANCE NEEDS**

DWP : Current housing costs including rent, manufactured home lot rental costs, monthly principal, interest, insurance premiums, property taxes due for mortgages or contracts for deed, association fees required for home ownership, utility costs for current month expenses of gas and electric, garbage, water and sewer; and a flat rate of \$35 per month, if verified, for telephone services.

**FAMILY PREFERENCE**

See [0011.03.12 \(Non-Citizens - Lawful Permanent Residents\)](#).

**FAMILY STABILIZATION SERVICES (FSS)**

A state funded service track in MFIP/DWP. Participants are not included in the TANF work participation calculation and services are provided through a case management model.

**FAMILY SELF-SUFFICIENCY PROGRAM ESCROW ACCOUNTS**

These accounts created by HUD promote employment and increased savings for public housing residents as a way to save for home ownership. Families may withdraw funds from the escrow account for purposes related to completing higher education, job training, or to meet start up expenses involved in the creation of a small business.

SNAP: Funds in the escrow accounts are not available to buy food; therefore, they are excluded as an asset and as income.

**FAMILY SUPPORT GRANT PROGRAM**

A state-funded program that provides funds to help families provide home care for children under 21 with disabilities. See [0029.03.06 \(Family Support Grant Program\)](#).

**FAMILY UNIT**

DWP : A group of people applying for or receiving DWP benefits together. See [0014 \(Assistance Units\)](#).

**FAMILY UNITY**

See [0011.03.24 \(Non-Citizens - Lawfully Residing People\)](#).

**FAMILY VIOLENCE**

An act or a combination of acts such as: physical harm, bodily injury or assault; the infliction of fear of imminent physical harm, bodily injury or assault; terroristic threats; criminal sexual conduct; interference with an emergency call committed against or committed by a family or household member. See [0005.12.12.09 \(Family Violence Provisions/Referrals\)](#).

For family violence purposes, a family or household members are:

- Spouses and former spouses.
- Parents and children.
- People related by blood.
- People who are residing together or who have resided together in the past.
- People who have a child in common regardless of whether they have been married or have lived together at any time.
- A man and a woman if the woman is pregnant and the man is alleged to be the father, regardless of whether they have been married or have lived together at anytime.
- People involved in a current or past significant romantic or sexual relationship.

**FAMILY VIOLENCE WAIVER OPTION**

MFIP : A provision under which participants, who are VICTIMS OF FAMILY VIOLENCE, may be exempt from the 60-month lifetime limit. See [0005.12.12.09 \(Family Violence Provisions/Referrals\)](#).

**FAMILY WAGE LEVEL**

MFIP : A standard used for calculating benefits for families with earned income which is set at 110% of the TRANSITIONAL STANDARD.

**FARM LOSS OFFSET**

The amount a SNAP client's countable income is reduced because of a net loss in farm income. See the [SNAP Farm Loss Offset Policy Guide \(PDF\)](#).

**FBR**

See FEDERAL BENEFIT RATE below.

**FEDERAL BENEFIT RATE (FBR)**

The assistance standard the Supplemental Security Income (SSI) Program uses to determine clients' eligibility and benefit level. See [0029.06.03 \(Supplemental Security Income Program\)](#).

**FEDERAL MEANS TESTED PROGRAM**

Defined by federal agencies overseeing the programs. These include Temporary Assistance for Needy Families (TANF), Medical Assistance, Supplemental Nutrition Assistance Program, and SSI.

**FICA**

Social Security withholding tax.

**FINANCIAL CONTRIBUTION**

The amount of money which program rules require a legally responsible person to pay toward a PARTICIPANT's support or cost of care.

**FINANCIALLY RESPONSIBLE PERSON**

A person legally responsible for the financial support of another person. See [0016 \(Income From People Not in the Unit\)](#).



For eligibility purposes, see [0011.03.12 \(Non-Citizens - Lawful Permanent Residents\)](#).

The following documents indicate a non-citizen is a Lawful Permanent Resident (LPR):

- I-94 cards or a foreign passport endorsed with "Processed for I-551 as Temporary Evidence of Admission for Lawful Permanent Residency" or the term "Resident Alien". The LPR will only have an I-94 card until U.S. Citizenship and Immigration Services (USCIS) processes the I-551 card (4-6 months after application).
- An unexpired Permanent Resident Card (formerly known as a "green card") form I-551.
- An unexpired Conditional Resident Alien Card - I-551.
- An unexpired Re-Entry Permit - form I-327.
- A private bill enacted by the United States Congress indicating permanent resident status.

Inform immigrants without documentation, who say they are not undocumented, that they must provide USCIS documentation. Failure to provide verification results in ineligibility for the non-citizen household member(s) only. For MFIP, if they refuse to provide the verification the entire unit is ineligible.

A child born outside the U.S. automatically becomes a U.S. citizen when:

- At least 1 parent of the child is a U.S. citizen, either by birth or naturalization.

AND

- The child is under the age of 18.

AND

- The child was lawfully admitted to the U.S. as an LPR and resides in the U.S. in the legal and physical custody of their citizen parent.

Children adopted abroad automatically acquire U.S. citizenship if the above conditions are met, and the adoption is full and final.

Children over the age of 14 must take the oath of allegiance or they are not granted citizenship.

Children deriving citizenship automatically through their parents do not necessarily have documents verifying their status. Do not require verification of naturalization for the children if you have the parent's documents.

#### **MFIP, DWP, SNAP, GA:**

Verify immigration status for people who report non-citizenship.

Identify LPRs whose sole entrance reason is because someone petitioned for their entry into the United States. The name of the sponsor will not be on the immigrant's I-94, or temporary or permanent I-551. However, most codes on the card beginning with an I, C, or P indicate an LPR entered because someone petitioned for the LPR's entrance. See [0010.18.15.03 \(Lawful Permanent Resident: USCIS Class Codes\)](#).

Verify honorable discharge status with United States Military Discharge Certificate Form DD-214 or other evidence to show character of service as honorable. If the narrative for the discharge entry is based on lack of citizenship or other non-citizenship reason, there is no eligibility.

## VERIFYING LAWFUL PERMANENT RESIDENCE

0010.18.15

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Verify active duty in the Armed Forces with green service identity card United States Form DD-2 or red service identity card and a copy of a current order showing active duty (other than active duty for training purposes).

Verify the status of LPRs who were originally admitted as refugees or asylees. The I-551 card will show the following codes denoting their status before the adjustment: AS6, 7, 8; IC6, 7; RE6, 7, 8 or RE86; Y1-16 and Y64. See [0010.18.15.03 \(Lawful Permanent Resident: USCIS Class Codes\)](#) for more information. The I-551 card will have the date of admission to the United States.

Verify tribal membership for non-citizen American Indians who declare tribal membership in a tribe whose members are eligible for programs provided by the United States. This includes those who were born in Canada or Mexico and are entitled to freely cross the United States borders into Canada or Mexico. Use a tribal membership card that shows membership in a specific tribe. If no card is available, contact the specific tribal offices to verify the membership. If it is uncertain that a specific tribe is eligible for programs provided by the United States, contact either the tribal office or the United States Bureau of Indian Affairs (BIA) for verification. Obtain a signed authorization from the client before making the contact.

Verify the birth of American Indians born in Canada. They should have an unexpired I-551 with code S-13, an unexpired I-551 stamp in a Canadian passport or an I-94 with code S-13, or a letter or tribal document certifying 50% Indian blood along with a birth certificate or other satisfactory evidence of birth in Canada.

Verify tribal membership, date of birth, and relationship of an individual, spouse, unremarried surviving spouse (must not be divorced from the individual), or a minor child of a Hmong or Highland Laotian tribe member who is lawfully residing in the United States and was a member of that tribe at the time the tribe rendered assistance to United States personnel by taking part in a military or rescue operation during the Vietnam era (8-5-64 - 5-7-75). Acceptable documentation may consist of unexpired I-551 or other USCIS documentation. The USCIS documentation will be coded as 1 of the following: RE1, RE2, RE3, RE6, RE7, RE8, RE86, IC6, or IC7. A Refugee Data Center (RDC) list contains information on eligible Hmong and Highland Laotian refugees who entered the United States after 1979. Exclusion from the list is not reason for denial. If you are unable to verify, have client sign an affidavit. An applicant is ineligible as a tribal member if his/her birth date is AFTER 5-7-75, unless he/she is a spouse, unremarried spouse, or minor child of an eligible tribal member.

**MSA:**

Verify immigration status if the client is not eligible for SSI solely due to excess income.

**GRH:**

Follow MSA for aged, blind, and disabled participants. Follow MFIP for all other adults.

**MFIP:**

No provisions. See [0011.03.03 \(Non-Citizens - MFIP/DWP Cash\)](#), [0011.03.06 \(Non-Citizens - MFIP Food Portion\)](#).

**DWP:**

No provisions. See [0011.03.03 \(Non-Citizens - MFIP/DWP Cash\)](#).

**SNAP:**

Non-citizens who are not qualified non-citizens are not eligible for federally-funded SNAP. They may be eligible for state-funded food assistance if they meet non-citizen requirements and are 50 years of age or older. See [0029.07.03 \(State Food Programs\)](#).

Unit members not applying for SNAP (non-applicants) are not required to disclose their immigration status. Their income and assets may be deemed toward the eligible unit members. See [0015.48 \(Whose Assets to Consider\)](#), [0016.42 \(Income of Non-Applicants\)](#). Also see TEMP Manual TE10.22 (Non-Applicant Members in an FS Unit).

The following qualified non-citizens may be eligible for federally-funded SNAP if they meet other eligibility criteria:

- Veterans of the Armed Forces of the United States with an honorable discharge for reasons other than non-citizen status, and their spouses and unmarried minor dependent children. See VETERAN in [0002.71 \(Glossary: Two Party...\)](#).
- People on active duty in the Armed Forces of the United States (other than active duty for training), and their spouses and unmarried minor dependent children.
- LPRs who have accumulated 40 Social Security credits. Do NOT allow credit for any quarters after 12-31-96 in which LPRs also receive assistance from a federal means tested program. See FEDERAL MEANS TESTED PROGRAM in [0002.23 \(Glossary: Fair Hearing...\)](#). To verify Social Security credits, see [0010.18.15.06 \(Verifying Social Security Credits\)](#).
- A person lawfully residing in the United States for 5 years or more.
- A person lawfully residing in the United States who is receiving payments or assistance for blindness or disability. See [0010.18.06 \(Verifying Disability/Incapacity - SNAP\)](#), [0011.03.24 \(Non-Citizens - Lawfully Residing People\)](#).
- A person lawfully residing in the United States on 8-22-96, who was 65 years of age or older at that time.
- A child lawfully residing in the United States who is currently under 18 years of age.
- American Indians born in Canada, who have at least 50% Indian blood.
- Other non-citizen American Indian applicants who are members of a tribe whose members are eligible for programs provided by the United States due to their tribal membership. This includes tribal members who were born in Canada or Mexico who are entitled to freely cross the United States borders into Canada or Mexico.
- A person who is lawfully residing in the United States and was a member of a Hmong or Highland Laotian tribe at the time the tribe rendered assistance to United States personnel by taking part in a military or rescue operation during the Vietnam era (8-5-64 and ending 5-7-75). The spouse or unremarried surviving spouse, and unmarried dependent children of such person may also be eligible. A person born after 5-7-75 is ineligible unless that person is a spouse, unremarried spouse, or minor child of an eligible tribal member. The spouse or unremarried surviving spouse must not be divorced from the eligible tribal member.
- People classified as refugees.
- People classified as Iraqi or Afghan Special Immigrants.
- People granted asylum.
- People whose deportation was withheld.

- Cuban/Haitian entrants.
- Amerasians from Vietnam.
- Current LPRs who were previously refugees, asylees, or had deportation withheld can maintain their eligibility based on their previous status. See [0011.03.12 \(Non-Citizens - Lawful Permanent Residents\)](#).
- Victims of Trafficking under the Trafficking Victims Protection Act of 2000. See [0011.03.30 \(Non-Citizens – Trafficking Victims\)](#).

**MSA:**

Undocumented and non-immigrant people are not eligible. People who are ineligible for SSI due to non-citizen status are not eligible.

**GA:**

Undocumented and non-immigrant people are not eligible.

Refugees, people granted asylum, and Amerasians may be eligible for RCA. See [0030.03 \(Refugee Cash Assistance\)](#).

Current LPRs who were previously refugees, asylees, or had deportation withheld, can maintain their eligibility based on their previous status. See [0011.03.12 \(Non-Citizens - Lawful Permanent Residents\)](#), [0011.03.12.03 \(Non-Citizens - Adjustment of Status\)](#).

All lawfully residing non-citizens who are not eligible for federal funding may be eligible for state funding if they meet other eligibility criteria for state-funded cash assistance.

LPRs age 18 through 69 who are funded under state dollars, and who have been in the country for 4 or more years, must meet 1 of the additional criteria below to be eligible. NOTE: These additional criteria do NOT apply to people who reside in a residential facility or LPRs who were previously refugees, asylees or had deportation withheld.

- Enrolled in a literacy class, English as a Second Language class, or a citizenship class.  
OR
- Applied for admission to a literacy class or English as a Second Language class, and is on a waiting list.  
OR
- In the process of applying for a waiver from the U.S. Citizenship and Immigration Services (USCIS) of the English language or civics requirements of the citizenship test.  
OR
- Have submitted an application for citizenship to the USCIS and are waiting for a testing date or a subsequent swearing in ceremony.  
OR
- Have been denied citizenship due to a failure to pass the test after 2 or more attempts or because of an inability to understand the rights and responsibilities of becoming a United States citizen, as documented by the USCIS or the county agency.

**GRH:**

Follow MSA for aged, blind, and disabled participants. Follow GA for all other adults.

**MFIP, DWP, SNAP:**

No provisions.

**MSA:**

Follow GA for non-SSI interim assistance.

If the client becomes retroactively eligible for SSI, review the case for retroactive MSA eligibility. Consider the following:

- Only months that GA has been reimbursed through the DHS/SSI interim assistance reimbursement (IAR) process (or months for which the county received reimbursement directly from the client) are eligible for MSA.
- Refer to the DHS Financial Operations MAXIS CASE/NOTE for which months have been reimbursed (see GA above).
- Issue retroactive MSA payment(s) based on the client's current MSA basic needs grant. Do not include special need items.
- A GA reimbursement may remain due from the client for a specific month. This typically happens when counties are unable to close GA in time to prevent an additional GA payment after SSI begins. If this occurs, budget the full SSI benefit rate, without any disregard, plus the GA for that month against the appropriate MSA standard. The difference would be either the amount of GA the client continues to owe or the amount of MSA to be issued to the client.

**NOTE:** GRH payment months are not eligible for retroactive MSA.

**GA:**

Require clients to complete an [SSI Interim Assistance Authorization \(DHS-1795\) \(PDF\)](#) and/or non-SSI [Interim Assistance Agreement \(Non-SSI\) \(DHS-1795A\) \(PDF\)](#) if their basis of eligibility is:

- Permanent illness.  
OR
- Temporary illness.  
OR
- Placement in a facility.  
OR
- Unemployable.  
OR
- Developmental disability/mental illness.  
OR
- RSDI/SSI application/appeal pending.  
OR
- Advanced age.  
OR
- Learning disabled.  
AND/OR
- Any time they apply for other maintenance benefits or whenever you expect their benefits to be reinstated after a period of suspension.

Clients who are eligible or potentially eligible for Supplemental Security Income (SSI) must complete the [SSI Interim Assistance Authorization \(DHS-1795\) \(PDF\)](#).

Clients who are potentially eligible for other maintenance benefits such as RSDI, Workers' Compensation, or private insurance must complete the [Interim Assistance Agreement \(Non-SSI\) \(DHS-1795A\) \(PDF\)](#).

Clients who are potentially eligible for both SSI and other benefits including RSDI must sign both a DHS-1795 and a DHS-1795A for the other benefit(s).

Clients who refuse to sign the DHS-1795 or DHS 1795A are ineligible for GA. Date stamp the DHS-1795 when you receive it if that date is different from the signature date.

Clients must sign a DHS-1795 and/or DHS-1795A at initial application or whenever changes in their circumstances indicate potential eligibility for other maintenance benefits. Update MAXIS STAT/PBEN and retain a copy of the form(s) in the case record.

The agreement allows the state or county agencies to seek repayment of benefits issued while the application for other maintenance benefits was pending. Unless prohibited by federal or state law, seek repayment when clients receive retroactive payments from other maintenance programs. The amount of the repayment cannot exceed the amount of benefits issued.

People who sign the DHS-1795 for SSI agree to let the Social Security Administration (SSA) reimburse the state for GA and/or GRH received during the period of retroactive SSI eligibility. DHS will mail a notice and explanation to clients and will notify counties via MAXIS CASE/NOTE when clients become eligible for SSI and the state has been reimbursed. Refer any remaining questions regarding SSI interim assistance reimbursements to DHS Financial Operations at 651-431-2427 or 1-888-702-9975.

Notify the DHS Benefit Recovery Section (BRS) of clients who sign a DHS-1795A for Workers' Compensation. BRS will seek recovery of benefits paid during the period covered by the workers' Compensation claim.

For maintenance benefits that clients may receive directly, request repayment directly from the client. If the client does not voluntarily repay the benefits issued, begin action to recover it. See [0025 \(Benefit Adjustments and Recovery\)](#).

When the client's only source of income is RSDI and the client has no other resources, the county is limited to asking the client to voluntarily repay the interim assistance he/she received. The county cannot use or threaten to use legal action to recover the interim assistance from the client's RSDI payments. The DHS-1795A includes a statement informing clients that RSDI payments, both retroactive and current, cannot be garnished, attached, executed upon, or levied upon. The form also explains that, although clients cannot be forced to use their RSDI benefits to repay the interim assistance they received, they can voluntarily use their RSDI benefits to repay their state debt.

Determine MSA eligibility of any client SSA finds eligible for SSI. See MSA provisions.

**GRH:**

Follow GA, with the following EXCEPTION:

If the client becomes retroactively eligible for SSI, review the case for retroactive GRH eligibility. Consider the following:

- Do not recalculate the client's GRH budget for months that GRH has been reimbursed through the DHS/SSI Interim Assistance Reimbursement (IAR) process or months for which the county received reimbursement directly from the client.
- If GRH was not reimbursed through the DHS/SSI Interim Assistance Reimbursement (IAR) process or voluntarily repaid by the client, the GRH budget must be recalculated for the months in which the client received SSI.

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Exclude income from the following sources for all programs:

- Children's Nutrition Act.
- Benefits from the Women, Infant, and Children (WIC) nutrition program.
- Benefits from the National School Lunch Act. Count some payments from the Child Care Food Program to providers.
- Benefits from the State Food Programs. See [0029.07.03 \(State Food Programs\)](#).
- Loans which the client has a written agreement to repay, EXCEPT some programs count student loans. See [0017.15.36 \(Student Financial Aid Income\)](#). You may use the [Gift or Loan Statement \(DHS-2808\) \(PDF\)](#) to verify that a personal loan is not a gift.
- Reverse mortgages.
- Most income from American Indian tribal land settlements and some income from interest in tribal trust and other restricted Indian lands. See [0017.15.09 \(Income from Tribal Land\)](#).
- Payments from the Low Income Home Energy Assistance Program (LIHEAP).
- Amounts a client receives which are related to shared living expenses and are solely to pay a portion of another person's living expense. The client may not own the home, make a profit, or provide any services in exchange for the income. An example is the amount the client receives from a roommate to forward to the landlord.
- Payments by the vocational rehabilitation program administered by the state, EXCEPT those payments that are for current living expenses.
- Relocation Assistance for displaced persons under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, the Housing and Redevelopment Act of 1965, or the Housing Act of 1965.
- Refunds or rebates from the United States Department of Housing and Urban Development (HUD) for excess rents charged.
- Security deposit refunds for rent and utility deposit refunds, whether paid by the client, EGA, the former Emergency Assistance program, or out of the Consolidated Fund.
- Trade Adjustment Act of 1974.
- War reparations payments to Japanese-Americans and Aleuts under Public Law 100-383.
- Cash from the sale of the client's property or assets, regardless of whether the asset was excluded. This does not apply to some business capital gains. See [0017.15.54 \(Capital Gains as Income\)](#). For instruction on treating cash from the sale of property as assets, see [0015.09 \(Excluded Assets for Self-Support\)](#), [0015.27 \(Excluded Assets - Income\)](#), [0015.60 \(Evaluation of Lump Sums\)](#).
- Payments to replace personal or real property made by public agencies, issued by insurance companies, awarded by a court, or solicited through public appeal. See [0015.36 \(Excluded Assets - Funds to Fix/Replace Asset\)](#), [0017.15.30 \(Lump Sum Income\)](#).
- Payments to veterans or their dependents made as a result of legal settlements between veterans and manufacturers of Agent Orange or other chemical agents.
- Payments received and used for care and maintenance of a 3rd-party beneficiary who is not a household member. If the payment is intended for both household and non-household members and you cannot determine portions, prorate among the beneficiaries and exclude the non-household members' pro rata share.
- Payments made under the Radiation Exposure Compensation Act (Public Law 101-426).

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- Mandatory salary reduction amounts for military service personnel which are used to fund the G.I. Bill (Public Law 99 576).
  - Payments from the Consumer Support Grant (CSG) program when placed in a CSG account. NOTE: When funds from the CSG account are used as wages to pay for care of the CSG beneficiary, they are considered earned income to the person providing the care and are not excluded under the CSG exclusion provision. See [0029.03.09 \(Consumer Support Grant Program\)](#).
  - Income that is otherwise specifically excluded by federal or state law or federal regulations.
  - VA benefits awarded to children of Vietnam veterans, regardless of their age or marital status, for a covered birth defect identified by the VA as associated with the service of these veterans who served in the Republic of Vietnam from 2-28-61 through 5-7-75 and performed active military service.
  - Combat or Hazard Duty pay received by military personnel who would otherwise be mandatory assistance unit members if they were not serving in a designated Combat Zone. See [0017.15.93 \(Military Income\)](#), TE02.10.90 (Military Families Receiving FS, MFIP or DWP), TE02.10.92 (Designated Combat Zones).
  - Funds, including accrued interest, deposited in Individual Development Accounts (IDAs) through the Family Assets for Independence in Minnesota (FAIM) Program.
  - One time payments made to certain World War II veterans or their surviving spouse under the Filipino Veterans Equity Compensation (FVEC) Fund. See [0015.27 \(Excluded Assets-Income\)](#) for asset information.
  - Payments from the Crime Victims Compensation Program, known as the Crime Victims Reparations Board in Minnesota.

Some programs also exclude other types of income. See [0017.15 \(Specific Types of Income\)](#).

**MFIP, DWP, MSA, GA, GRH:**

Follow general provisions. Also, conditional cash transfers to families participating in a family independence demonstration are excluded income.

**SNAP:**

Follow general provisions. In addition, exclude gate money received by an applicant/recipient released from a penal institution. Also see [0015.27 \(Excluded Assets - Income\)](#).

Before loans with a repayment agreement can be excluded, obtain a [Gift or Loan Statement \(DHS-2808\) \(PDF\)](#) or a loan repayment agreement signed by both parties.

Self-employed people are those who are responsible for their own work schedule and do not have coverage under an employer's liability insurance or workers' compensation.

Self-employed people generally work for themselves rather than an employer. However, people employed in some types of services may be self-employed even if they have an employer or work out of another's business location (for example: real estate sales people, people who work for commission sales, manufacturer's representatives, independent contractors). Self-employed people may or may not have FICA deducted from the check an employer or another party issues to them. When self-employed people indicate they are independent contractors, check with the business the self-employed client is contracting with to see if it considers the client to be self-employed or an employee. If the business states that it considers the self-employed person to be an independent contractor, then the client is self-employed.

People who provide day care in their own homes are self-employed. People who provide day care in someone else's home are not self-employed.

Self-employed people may own a business solely or in partnership.

Income from a sole proprietorship is self-employment income.

When the business is a partnership or S-Corporation, all wages, draws, guaranteed payments, or compensation of officers paid to the business owner or a household member is considered earned income. Any other income from a partnership or S-Corporation is self-employment income.

S-Corporations are considered self-employment businesses. Income received by the shareholders is countable income regardless of whether the individual decides to reinvest his or her income back into the corporation. See [0002.59 \(Glossary: RSDI...\)](#) for the definition of S-Corporation.

C-Corporations are NOT self-employment businesses. See [0002.09 \(Glossary: Calendar Month...\)](#) for the definition of C-Corporation.

For treatment of income from specific types of self-employment businesses, see:

[0017.15.33.24](#) [Self-Employment Income From Farming.](#)

[0017.15.33.27](#) [Self-Employment Income From Roomer/Boarder.](#)

[0017.15.33.30](#) [Self-Employment Income From Rental Property.](#)

[0017.15.54](#) [Capital Gains as Income.](#)

Add gross self-employment income to other earned income to determine total gross earned income for the client. For programs with a gross income limit, count gross self-employment income toward the gross income limit. Apply the disregards and deductions to total earned income (from self-employment and other earned income) to determine net income. See [0018.06 \(Work Expense Deductions\)](#), [0018.09 \(Dependent Care Deduction\)](#), [0018.18 \(Earned Income Disregards\)](#).

Also see [0017.15.33.03 \(Self-Employment, Convert Inc. to Monthly Amt\)](#).

**MFIP, DWP, GA:**

Follow general provisions.

**SNAP:**

Follow general provisions.

For information about farm loss offset, see the [SNAP Farm Loss Offset Policy Guide \(PDF\)](#).

For information about rental income, see [0017.15.33.30 \(Self-Employment Income From Rental Property\)](#).

**MSA:**

For SSI recipients, no county action is required. SSA will make all income determinations and adjustments.

For non-SSI recipients due to excess income, follow general provisions.

**GRH:**

Follow general provisions for aged, blind, or disabled clients. Follow GA for all other adults.

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**SELF-EMPLOYMENT BUDGETING**

The self-employment budget period begins in the month of application or in the 1st month of self-employment. Applicants and participants must choose 1 of the methods described below for determining self-employment earned income. Self-Employment expenses are not used in the budgeting calculation, unless there is a program provision.

**SELF-EMPLOYMENT INCOME CALCULATION**

The agency must determine self-employment income based on client choice for each self-employment business. Clients may choose either method, if taxes were filed within the last 12 months.

Participants must continue to use the same method for each self-employment income source, regardless of whether they apply for a new program, unless they meet 1 of the conditions of changing options listed under program provisions below.

- 50% of gross earnings from self-employment.
  - As determined by business records or self-employment form.
  - Gross earnings are defined as earned income before taxes and deductions.
  - This method is based on using current income to calculate self-employment income.
  - Document the calculation and which option the applicant or participant has chosen in CASE/NOTES

OR

- Taxable Income.
  - As determined from an Internal Revenue Service (IRS) tax forms that has been filed with the IRS within the last 12 months.
  - Taxable Income means "Net profit" from the applicable annual tax forms.
  - Divide the "Net profit" by 12 months to find the monthly average income for the year. If the business has been operating for less than 12 months, then divide by the number of months the business has been operating.
  - This method is based on using an annual average to calculate self-employment income.
  - Document the calculation and which option the applicant or participant has chosen in CASE/NOTES.

**MFIP, DWP:**

**Self-Employment Hours:** Only the hours the participant earns the federal minimum wage count toward the participation requirements. The number of self-employment hours is determined by dividing the net self-employment income by the federal minimum wage.

**Changing Options:**

Participants must be given the option to change their method of self-employment income calculation at recertification.

Participants who use the 50% of current self-employment income method, may choose the Taxable Income method at the next benefit month.

Participants who use the Taxable Income method, must continue to use this method until recertification, unless there is an unforeseen significant change. An "Unforeseen Significant Change" means a decrease in income, where their income decrease was equal to or greater than the earned income disregard from the income used to determine the benefit for the current month,

and this decrease was unpredictable.

**SNAP:**

Self-Employment situations that have a farm loss offset DO NOT have the choice of the 50% of gross earnings or the tax method to calculate Self-Employment income for any unit member's self-employment business. See the [SNAP Farm Loss Offset Policy Guide \(PDF\)](#).

Calculate Rental Income using the information in [0017.15.33.30 \(Self-Employment Income From Rental Property\)](#) to determine earned versus unearned income. Count income from rental property as earned income when the unit spends an average of 20 hours or more per week maintaining or managing the property, otherwise count it as unearned income.

**Changing Options:**

Participants must be given the option to change their method of self-employment income calculation at recertification.

Participants, who use the 50% of current self-employment income method, may choose the Taxable Income method at the next benefit month.

Participants, who use the Taxable Income method, must continue to use this method until recertification.

**MSA:**

For SSI recipients, no county action required.

For non-SSI recipients, due to excess income, follow GA.

**GA:****Changing Options**

Participants must be given the option to change their method of self-employment income calculation at recertification.

Participants, who use the 50% of current self-employment income method, may choose the Taxable Income method at the next benefit month.

Participants, who use the Taxable Income method, must continue to use this method until recertification, unless there is an unforeseen significant change. An "Unforeseen Significant Change" means a decrease in income, where their income decrease was equal to or greater than the earned income disregard from the income used to determine the benefit for the current month, and this decrease was unpredictable.

**GRH:**

Follow MSA for aged, blind, or disabled clients. Follow GA for all other adults.

Farmers are self-employed. They may work full-time, part-time, or as hobby farmers.

Common types of farm income include:

- Proceeds from sale of crops, livestock, or products.
- Production from livestock.
- Income from home-produced food.
- Soil conservation payments and other subsidies.
- Proceeds from machine rental, including wages to the farmer/operator.
- Capital gains. See [0017.15.54 \(Capital Gains as Income\)](#).

Also see:

[0010.18.09](#)      [Verifying Self-Employment Income/Expenses.](#)

[0017.15.33.03](#)      [Self-Employment, Convert Inc. to Monthly Amt.](#)

[0022](#)      [Budgeting and Benefit Determination.](#)

**MFIP, DWP. MSA. GA. GRH:**

No provisions.

**SNAP:**

If the SNAP unit has a farm profit then the unit can select from 1 of the 2 self-employment methods outlined in [0017.15.33.03 \(Self-Employment, Convert Inc. to Monthly Amt.\)](#).

If the SNAP unit has a farm loss, see the [SNAP Farm Loss Offset Policy Guide \(PDF\)](#).



## SELF-EMPLOYMENT INCOME FROM ROOMER/BOARDER

0017.15.33.27

If a client receives payments for lodging, meals, or related services from people living in the client's home, the income is roomer/boarder income. Units with roomer/boarder income are self-employed. Count the income as earned income.

- A roomer lives with the unit and pays for lodging only.
- A boarder eats with the unit and pays for meals only.
- A roomer and boarder lives AND eats with the unit and pays for lodging AND meals.

Roomer/boarder income is different from rental property or from shared living expense income. For information on rental property income, see [0017.15.33.30 \(Self-Employment Income From Rental Property\)](#). For information on shared living expense income, see [0017.06 \(Excluded Income\)](#).

For information on budgeting Self-Employment Income, see [0017.15.33.03 \(Self-Employment, Convert Inc. To Monthly Amt\)](#).

**MFIP, DWP, GA, GRH:**

Follow general provisions.

**SNAP:**

Follow general provisions.

If there is a farm loss offset, allow the following expenses for a roomer/boarder:

- Roomer: The verified expense of providing the room. See the general provisions of [0017.15.33.30 \(Self-Employment Income From Rental Property\)](#) for instructions on how to determine the expense.
- Boarder: The verified expense of providing the food or the Thrifty Food Plan. For Thrifty Food Plan amounts, see [0022.12.01 \(How to Calculate Benefit Level - SNAP/MSA/GRH\)](#).
- Roomer and boarder: The verified expense of providing the room and the Thrifty Food Plan amount or the verified expense of providing the food, whichever is greater. For the Thrifty Food Plan Amounts, see [0022.12.01 \(How to Calculate Benefit Level - SNAP/MSA/GRH\)](#).

If there is more than 1 boarder, use the total number of boarders as the unit size in determining the Thrifty Food Plan amount.

Deduct the allowable expenses, up to the amount of the income, to get gross self-employment income. For treatment of boarders who pay less than the Thrifty Food Plan amount for food, see [0014.03.06 \(Determining the SNAP Unit\)](#), [0022.12.01 \(How to Calculate Benefit Level - SNAP/MSA/GRH\)](#).

**MSA:**

For non-SSI recipients, follow general provisions.

For SSI recipients, SSA determines income. No county action is required.



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Rental property is property the client owns and rents to others. This may include separate living quarters in the same building, such as a duplex. For information on rental income from people living with the client, see [0017.15.33.27 \(Self-Employment Income From Roomer/Boarder\)](#). Also see [0017.15.33.03 \(Self-Employment, Convert Inc. To Monthly Amt\)](#).

**MFIP, DWP, GA:**

Count income from rental property as earned income and allow earned income disregards. See [0018.18 \(Earned Income Disregards\)](#). For information on budgeting Self-Employment Income, see [0017.15.33.03 \(Self-Employment, Convert Inc. To Monthly Amt\)](#).

**SNAP:**

Calculate Rental Income using the policy information below after first determining whether it is earned or unearned income. Count income from rental property as earned income when the unit spends an average of 20 hours or more per week maintaining or managing the property. Otherwise count it as unearned income.

Deduct allowable expenses from both earned and unearned rental income to get gross rental income. Allow earned income disregards only for earned rental income. See [0018.18 \(Earned Income Disregards\)](#).

Allowable expenses for rental property include:

- Real estate tax.
- Insurance.
- Utilities.
- Interest.
- Upkeep and repairs.
- Tax return preparation fees.
- License fees, franchise fees, professional fees and professional dues.
- Advertising.
- Postage.
- Attorney fees allowed by the IRS.
- Payments on the principal of the purchase price of income-producing real estate.

When the client lives on the rental property, determine the rental property ratio. Divide the number of rooms or square footage that the client rents out by the total number of rooms or square footage in the building. To determine the portion of an expense that is an allowable deduction, multiply the expense by the ratio.

Do not allow as a self-employment expense:

- Federal, state, and local income taxes.
- The employer's own share of FICA. This does not include the share the employer pays for an employee.
- Money set aside for the self-employed person's own retirement.

- Work-related personal expenses.
- Net loss from another period.
- Charitable contributions.
- Depreciation.
- Wages or other benefits a sole proprietorship pays to a unit member as a business expense.
- Personal business and entertainment expenses.
- Cost of meals.
- Credit Card payments, including interest charges.

**MSA:**

For SSI recipients, SSA determines income. No county action is required.

For non-SSI recipients, follow GA.

**GRH:**

Follow MSA for aged, blind, or disabled clients. Follow GA for all other adults.

Verify educational expenses before allowing them as a deduction. Determine the time period the expenses cover. See [0010.18.30 \(Verifying Student Income and Expenses\)](#).

Some programs exclude certain types of financial aid entirely. See [0017.15.36 \(Student Financial Aid Income\)](#).

**MFIP, DWP:**

All student financial aid for undergraduates is excluded; therefore, there are no deductions to apply. See [0017.15.36 \(Student Financial Aid Income\)](#).

Do not allow deductions for educational expenses from graduate student financial aid that is earned income, but do allow the earned income disregards and deductions. From graduate student unearned income, allow a deduction for necessary educational expenses. For this purpose, necessary educational expenses do NOT include living expenses. See [0017.15.36 \(Student Financial Aid Income\)](#) to determine whether the aid is earned or unearned income.

**SNAP:**

Total all educational expenses EXCEPT those earmarked for a specific expense. Expenses include, but are not limited to:

- Tuition.
- Mandatory school fees. Mandatory school fees include: lab fees, equipment fees, student service fees, guaranteed student loan origination and insurance fees, uniforms, and tools.
- Books.
- Supplies.
- Transportation. See [0018.13 \(Transportation Expense\)](#).
- Miscellaneous personal expenses (other than room/board and clothing).
- Dependent care.

**MSA:**

For SSI recipients, no county action required.

For non-SSI recipients, the following are allowable expense deductions from all non-excluded sources of student aid:

- Tuition.
- Mandatory fees.
- Course and lab fees.
- Books.
- Transportation to and from school. See [0018.13 \(Transportation Expense\)](#).
- Supplies and equipment required for course work.
- Child care costs incurred while at school and in transit.
- Work expenses and deductions from work study income.

- Any impairment related expenses necessary to attend school or perform schoolwork.

**GA:**

The following are allowable expense deductions from all non-excluded sources of student aid:

- Tuition.
- Fees.
- Books.
- Supplies.
- Transportation expenses. See [0018.13 \(Transportation Expense\)](#).
- Work expenses and deductions from work study income. In addition to the expenses above, allow miscellaneous personal expenses as a deduction from Title IV student aid.

**GRH:**

Follow MSA for aged, blind, or disabled clients. Follow GA for all other adults.

See [0015.11 \(Excluded Assets - Contracts for Deed\)](#) for how to treat contracts for deed and other property agreements as assets.

**MFIP, MSA, GA, GRH:**

Count all payments (EXCEPT the principal portion, which is considered an asset) of a contract for deed or other property agreement as unearned income. If the owner of the contract or property agreement is paying the property taxes and/or homeowner's insurance, allow these as deductions from the non-principal portion of the payment.

If the real property is encumbered by another mortgage or contract for deed and the owner of the contract is making that payment, allow a deduction for the interest portion of that payment.

**DWP:**

Follow MFIP. After the initial DWP determination, exclude any unanticipated income the unit may receive.

**SNAP:**

Count all payments (including the principal portion) of a contract for deed or other property agreement as unearned income. If the owner of the contract or property agreement is paying the property taxes and/or homeowner's insurance, allow these as deductions from the payment. If the real property is encumbered by another mortgage or contract for deed, and the owner of the contract is making that payment, allow a deduction for the interest portion of that payment.



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Determine a client's net income by subtracting deductions and disregards from gross income. See [0017 \(Determining Gross Income\)](#).

Use net income to determine a client's eligibility and level of benefits. See [0022.12 \(How to Calc. Benefit Level - MFIP/DWP/GA\)](#), [0022.12.01 \(How to Calculate Benefit Level - SNAP/MSA/GRH\)](#), [0020 \(Net Income Limits\)](#).

Subtract disregards and deductions in the specific order below to determine net income.

**MFIP:**

Apply an initial income test as noted in program provisions below.

Determine net income for the initial income test by adding gross earned income, unearned income and deemed income, then subtract the following deductions in the order listed:

1. Earned income disregard. See [0018.18 \(Earned Income Disregards\)](#).
2. Allocations. Apply allocations against earned income first. Apply any remaining allocation amount against unearned income. See [0018.30 \(Allocations\)](#).
3. Actual dependent care costs up to the maximum allowance from earned income. See [0018.09 \(Dependent Care Deduction\)](#).
4. Child and spousal support deductions. See [0018.33 \(Child and Spousal Support Deductions\)](#).

If net income (after allowing the deductions above) is less than the Family Wage Level, determine the benefit level using the appropriate assistance standard. See [0020.09 \(MFIP/DWP Assistance Standards\)](#).

Compute net income EACH MONTH to use in determining benefits by subtracting the following deductions from gross earned and unearned income, including deemed income in the order listed:

1. Earned income disregard. See [0018.30 \(Allocations\)](#).
2. Allocations. Apply allocations against earned income first. Apply any remaining allocations amount against unearned income. See [0018.30 \(Allocations\)](#).
3. Child and spousal support deduction. Apply this deduction against any remaining earned income. Apply any remaining amount of the deduction against unearned income. See [0018.33 \(Child and Spousal Support Deductions\)](#).

After you apply these deductions, follow the procedures in [0022.12 \(How to Calc. Benefit Level - MFIP/DWP/GA\)](#). If the MFIP grant you compute using this procedure is \$0 or less (because the unit's income exceeds the standard), the unit is not eligible.

**DWP:**

Follow MFIP for the initial income determination. Then compare the net need for the DWP grant to the CASH portion of the appropriate Assistance Standard.

The minimum cash benefit amount is \$10, if income and asset tests are met. Do not vendor pay benefits of \$10.

In most cases once the grant amount is determined, if the participant obtains a job or receives additional earned income, or unearned income, the income is NOT used to reduce the unit's DWP benefits. See [0022.12 \(How to Calc. Benefit Level - MFIP/DWP/GA\)](#) for more information.

**SNAP:**

For all units:

1. Farm loss offset. See the [SNAP Farm Loss Offset Policy Guide \(PDF\)](#).
2. Work expense deduction. See [0018.06. \(Work Expense Deductions\)](#).
3. Standard disregard. See [0018.21 \(Standard Disregard\)](#).
4. Dependent care deduction. See [0018.09 \(Dependent Care Deduction\)](#).
5. Medical deduction. See [0018.12 \(Medical Deductions\)](#).
6. Shelter deduction. See [0018.15 \(Shelter Deductions\)](#).
7. Child support deduction. See [0018.33 \(Child and Spousal Support Deductions\)](#).

**MSA:**

For clients who are SSI recipients, subtract \$20 from the amount of the client's full SSI Federal Benefit Rate (FBR). EXCEPT, do not allow the \$20 disregard for SSI recipients living in a long term care facility (LTCF) who have their cost of care paid by MA. See [0029.06.03 \(Supplemental Security Income Program\)](#).

For clients not getting SSI who live in an LTCF and have their cost of care paid by MA:

1. Guardianship fees to a legally-appointed guardian or conservator. Allow up to 5% of the client's monthly gross income to a maximum of \$100.
2. Allocations. See [0018.30 \(Allocations\)](#).

For all other clients:

1. Earned income disregard for blind or disabled student children. See [0018.18 \(Earned Income Disregards\)](#).
2. Standard disregard. See [0018.21 \(Standard Disregard\)](#).
3. The 1st \$65 of the earned income disregard. See [0018.18 \(Earned Income Disregards\)](#).
4. Work expense deduction for disabled clients. See [0018.06 \(Work Expense Deductions\)](#).
5. One-half the remaining earned income. See [0018.18 \(Earned Income Disregards\)](#).
6. Work expense deduction for blind clients. See [0018.06 \(Work Expense Deductions\)](#).
7. Income used to fulfill an approved Plan to Achieve Self-Support (PASS) for disabled or blind people. See [0018.06.06 \(Plan to Achieve Self-Support \(PASS\)\)](#).

**GA:**

See [0018.18 \(Earned Income Disregards\)](#).

**GRH:**

See [0018.01 \(Determining Net Income - GRH\)](#).



**MFIP, DWP, GA:**

There is no separate work expense deduction. See earned income disregards in [0018.18 \(Earned Income Disregards\)](#).

**SNAP:**

For information about the SNAP earned income disregard, see [0018.18 \(Earned Income Disregards\)](#).

**MSA:**

For SSI recipients no county action required.

For non-SSI recipients, due to excess income:

- For clients eligible for MSA because of age:

Do not allow work expense deductions. Blind or disabled clients who received work expense deductions before the age of 65 do not lose those deductions when they turn 65.

- For clients eligible for MSA because of a disability other than blindness:

Allow only IMPAIRMENT RELATED work expenses as a deduction from earned income. The client must reasonably show the expenses relate directly to the disability and are necessary to produce the earned income. See [0018.13 \(Transportation Expense\)](#).

- For clients eligible for MSA because of blindness:

Allow any work expense as a deduction when a client can reasonably show it relates directly to producing earned income. See [0018.13 \(Transportation Expense\)](#).

Do not allow work expense deductions for items reimbursable or paid for by another source.

**GRH:**

Follow MSA for aged, blind, or disabled clients. Do not allow a work expense deduction if the client receives SSI. Follow GA for all other adults.



## ALLOWABLE SNAP MEDICAL EXPENSES

0018.12.03

**MFIP, DWP, MSA, GA, GRH:**

No provisions.

**SNAP:**

Allow the following medical expenses for units meeting the criteria in [0018.12 \(Medical Deductions\)](#):

- Medical and dental care including psychotherapy and rehabilitation provided by a state licensed practitioner or other licensed professional.
- Hospital, outpatient treatment, nursing care, and nursing home care.
- Unreimbursed out-of-pocket prescription drug expenses and over the counter medication approved by a state licensed practitioner or other health professional.
- Medical or sickroom supplies and other prescribed equipment.
- Health and hospitalization insurance and Medicare premiums.
- Dentures, hearing aids, prescription eye glasses, and prosthetics.
- Purchase and maintenance costs of service animals for people with disabilities.
- Transportation and lodging needed to get medical care. Use the flat rate deduction or itemize transportation expenses. See [0018.13 \(Transportation Expense\)](#).
- Maintaining an attendant, homemaker, home health aide, child care services, or housekeeper needed due to age, infirmity, or illness. Also allow an amount equal to the Thrifty Food Plan (TFP) amount for 1 person if the unit provides the majority of the attendant's meals. Treat attendant care costs as a medical expense if they could qualify both as a medical and a dependent care deduction. See [0018.09 \(Dependent Care Deduction\)](#).
- Expenses used to meet an MA spenddown. See the [Insurance Affordability Programs/Health Care Manuals](#). Do not automatically allow the total spenddown amount as an expense, unless you verified the expenses used to meet the spenddown at SNAP application or recertification and the unit has not reported further changes. Use a client's total medical expenses up to the amount of the spenddown. There are 2 medical spenddown types, 6-month and monthly. Do not assume clients who are on monthly medical spenddowns will always meet their spenddown.

For applications and recertifications received on or after June 1, 2006, for households with Medicare Part D deductions, allow the actual Medicare expenses incurred. This could include the following items:

- Medicare Part D premiums, if any.
- Unreimbursed out-of-pocket prescription costs.
- Other allowable medical expenses as outlined in this section.

Expenses must be within the SNAP time guidelines for acceptable expenses, and must be for people listed in 0018.12 (Medical Deductions). Some expenses used to meet a MA spenddown may be too old for SNAP purposes, and medical expenses for people other than the person eligible for the medical deduction may be used to meet a spenddown.

Budget monthly spenddown expenses as recurring medical expenses, 6-month spenddown expenses as nonrecurring. See [0018.12 \(Medical Deductions\)](#).

DO NOT allow the following expenses as medical deductions:

ALLOWABLE SNAP MEDICAL EXPENSES

0018.12.03

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- Premiums for health and accident policies which pay lump sum settlements for death or dismemberment, or policies which continue loan or mortgage payments while a person is disabled.
- Expenses paid for or reimbursed by a source outside the unit.
- The cost of special diets.
- Enrollment fees up to \$30 and any co-payments for the Medicare-approved discount card programs paid by the unit.
- Medical drug discount credit (\$600).
- Actual or standard medical expense for Medicare Drug discount participants.
- The cost of any illegal controlled substance, such as medical marijuana.

The flat rate deduction for transportation for all programs is 54 cents per mile based on the current Federal IRS rate. Use the flat rate deduction or itemize transportation expenses.



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Earned income disregards are an employment incentive. Subtract earned income disregards only from the monthly earned income of a client. See [0017.12.06 \(Earned Income\)](#), [0017.15.33 \(Self-Employment Income\)](#). Do not reduce earned income to less than \$0 or use earned income disregards to reduce unearned income.

People may lose the earned income disregard when computing overpayments for failure to report a change timely. See [0025.03 \(Determining Incorrect Payment Amounts\)](#).

**MFIP, DWP, GA:**

Disregard the 1st \$65 of earned income per wage earner plus half of the remaining earned income of the assistance unit.

**SNAP:**

Allow 20% of the unit's gross earned income as a work expense deduction. If you already applied the deduction to work study or fellowship income when calculating student financial aid, do not include the work study or fellowship income in earned income when applying this deduction. See [0017.15.36.06 \(Identifying Title IV or Federal Student Aid\)](#), [0017.15.36.09 \(Student Financial Aid Deductions\)](#).

If after applying the farm loss offset, the unit passes the GIT and income remains, allow a 20% deduction of the gross earned income from that amount prior to applying other deductions. See the [SNAP Farm Loss Offset Policy Guide \(PDF\)](#).

People may lose the work expense deduction when computing overpayments for failure to report a required change timely. See [0025.03 \(Determining Incorrect Payment Amounts\)](#).

**MSA:**

For SSI recipients, no county action is required.

For non-SSI recipients due to excess income, disregard the 1st \$65 of earned income plus half of the remaining earned income of the assistance unit.

- Allow the Student Earned Income Disregard from earned income when a client meets ALL 3 of the following conditions:
  - Is under age 22.
  - Is certified as blind or disabled by the Social Security Administration or the State Medical Review Team.
  - Is expecting to attend school at least 1 month in the next calendar quarter, or did attend school at least 1 month of the current calendar quarter.

Limit the Student Earned Income Disregard to a maximum of \$1,780 a month and \$7,180 in a calendar year. Apply it only to the client's income.

Also see [0018.06 \(Work Expense Deductions\)](#).

**GRH:**

For SSI recipients, no county action is required.

For non-SSI recipients who are aged, blind, or disabled, disregard the 1st \$65 of earned income per wage earner plus half of the remaining earned income of the assistance unit.

- Allow the Student Earned Income Disregard from earned income when a client meets ALL 3 of the following conditions:
  - Is under age 22.

- Is certified as blind or disabled by the Social Security Administration or the State Medical Review Team.
- Is expecting to attend school at least 1 month in the next calendar quarter, or did attend school at least 1 month of the current calendar quarter.

Limit the disregard to a maximum of \$1,780 a month and \$7,180 in a calendar year. Apply it only to the client's income.

Also see [0018.06 \(Work Expense Deductions\)](#).

For all other adults, follow GA.

Reimburse clients for reasonable and necessary expenses they incur to attend the hearing. Examples are:

- Transportation costs to and from the hearing for clients, their authorized representatives, and any witnesses. See [0018.13 \(Transportation Expense\)](#).
- Child care costs.
- Payment for a medical assessment.

