

POLICY TRANSMITTAL NO. 11-08	DATE: MAY 13, 2011
FAMILY SUPPORT SERVICES DIVISION	DEPARTMENT OF HUMAN SERVICES OFFICE OF INTERGOVERNMENTAL RELATIONS AND POLICY

TO: ALL OFFICES

SUBJECT: MANUAL MATERIAL

OAC 340:50-3-2; 50-5-3; 50-5-6; 50-5-8.1; 50-5-28; 50-5-48 through 50-5-49; 50-5-67 through 50-5-68; 50-5-88; 340:50-7, Table of Contents; 50-7-1 through 50-7-5; 50-7-22; 50-7-29 through 50-7-31; 50-9-1; 50-9-5; 50-11-1; 50-11-5; 50-11-64; 50-11-111 through 50-11-113; 50-11-115; and 50-15-25.

EXPLANATION: **Policy revisions were approved by the Commission and the Governor as required by the Administrative Procedures Act.**

OAC 340:50-3-2 is amended to: (1) add language that recertification interviews may be waived for households where all household members are elderly or disabled and have no earned income; (2) add language regarding when interviews may be postponed for households eligible for expedited services who cannot be contacted to complete the interview at the time of application, time frames for setting the interview, and when the postponed interview must be completed to avoid a break in benefits; and (3) remove worker responsibility to inquire about resources.

OAC 340:50-5-3 is amended to add language to clarify what "under parental control" and "emancipated minor" means.

OAC 340:50-5-6 is amended to: (1) remove language regarding resources; and (2) restructuring information for better readability.

OAC 340:50-5-8.1, 340:50-5-68, 340:50-5-88, and 340:50-15-25 are amended to remove language regarding resources.

OAC 340:50-5-28 is amended to: (1) remove incorrect language regarding which residents of shelters qualify for food benefits; (2) remove language regarding resources; and (3) add clarifying language.

OAC 340:50-5-48 is amended to: (1) remove language regarding resources; (2) add information about deductions from income; and (3) restructure information for greater readability.

OAC 340:50-5-49 is amended to: (1) add more information about resources; and (2) add clarifying language.

OAC 340:50-5-67 is amended to clarify the authority for this policy. Instructions to staff (ITS) is revised to remove language regarding resources.

OAC 340:50-7-1 is amended to: (1) remove resources as an eligibility factor for all households except sponsored alien households; and (2) clarify that liquid resources are considered for expedited processing.

OAC 340:50-7-2 through 340:50-7-5 are revoked as resources are no longer considered as an eligibility factor.

OAC 340:50-7-22 is amended to remove language regarding resources. ITS is added to explain how to determine countable income when disbursements over \$2,000 per year are made to individual Indians.

OAC 340:50-7-29 is amended to: (1) clarify that countable military pay includes Variable Housing Allowance (VHA), Basic Allowance for Quarters (BAQ), and Basic Allowance for Housing (BAH); (2) clarify when temporary disability insurance and worker's compensation payments are considered earned income; (3) add information regarding consideration of income for household members absent from the home, in foster care, and receiving adoption subsidy payments; (4) clarify language regarding how to determine monthly income from grants, dividends, royalty, and interest income; and (4) other clarifying language. ITS is added to clarify: (1) child support income that is diverted without court order to pay household expenses is countable income; and (2) cash medical payments are considered income if the child is not receiving medical assistance.

OAC 340:50-7-30 is amended to add: (1) language explaining that farm loss or other self-employment business losses cannot be used to offset income for other income the household may have; and (2) clarifying language.

OAC 340:50-7-31 is amended to: (1) include dental insurance premiums as a medical deduction; (2) correct language regarding when to verify child care expenses; and (3) add clarification regarding costs not allowed as medical expenses. ITS is added to: (1) include an additional example of medical expenses which can be used as a deduction; and (2) include language regarding when

households may be allowed shelter deductions for two residences.

OAC 340:50-9-1 is amended to remove: (1) language regarding resources; and (2) a form name and number. ITS is revised to update a form name and number.

OAC 340:50-9-5 is amended to: (1) remove language regarding resources; (2) add information regarding when benefits can be reopened back to the first of the month or prorated back to the date the review is complete; and (3) change information regarding benefit reviews to remove the specific form used for review from rules, add notification information, reorder and clarify information for better understanding. ITS is revised to: (1) include coding information when food benefits are reopened; (2) add the methods the household may use to complete the review; and (3) clarify the review process.

OAC 340:50-11-1 ITS is revised to: (1) clarify the liquid resource limit for households eligible for expedited services; and (2) remove language that households disqualified for an intentional program violation are not categorically eligible for food benefits.

OAC 340:50-11-5 is amended to: (1) remove language that liquid resources must be verified; (2) add language regarding when postponed interviews must be scheduled and requirements when the household does not complete the interview timely; and (3) add clarifying language regarding time limits for providing postponed verification.

OAC 340:50-11-64 is amended to add language requiring the household to sign Form 08FB0012E, Request for Destroyed Food Replacement, prior to replacing benefits lost due to a natural disaster.

OAC 340:50-11-111 is amended to remove language exempting households disqualified for an intentional program violation from being categorically eligible. ITS is revised to remove language regarding resources.

OAC 340:50-11-112 is amended to: (1) remove language regarding households disqualified for an intentional program violation; and (2) add language regarding ineligible households.

OAC 340:50-11-113 is amended to: (1) remove language exempting households disqualified for an intentional program violation from being categorically eligible; and (2) remove language regarding

resources.

OAC 340:50-11-115 is amended to remove language exempting households disqualified for an intentional program violation from being categorically eligible.

Original signed on 4-27-11

Mary Stalnaker, Director
Family Support Services Division

Sandra Harrison, Coordinator
Office of Intergovernmental Relations and
Policy

WF # 10-16 (NAP)

INSTRUCTIONS FOR FILING MANUAL MATERIAL

OAC is the acronym for Oklahoma Administrative Code. If OAC appears before a number on an Appendix or before a Section in text, it means the Appendix or text contains rules or administrative law. Lengthy internal policies and procedures have the same Chapter number as the OAC Chapter to which they pertain following an "OKDHS" number, such as personnel policy at OKDHS:2-1 and personnel rules at OAC 340:2-1. The "340" is the Title number that designates OKDHS as the rulemaking agency; the "2" specifies the Chapter number; and the "1" specifies the Subchapter number.

The chronological order for filing manual material is: (1) OAC 340 by designated Chapter and Subchapter number; (2) if applicable, OKDHS numbered text for the designated Chapter and Subchapter; and (3) all OAC Appendices with the designated Chapter number. For example, the order for filing personnel policy is OAC 340:2-1, OKDHS:2-1, and OAC 340:2 Appendices behind all Chapter 2 manual material. Any questions or assistance with filing manual material will be addressed by contacting Policy Management Unit staff at 405-521-4326.

<u>REMOVE</u>	<u>INSERT</u>
340:50-3-2	340:50-3-2, pages 1-5, revised 6-1-11
340:50-5-3	340:50-5-3, 1 page only, revised 6-1-11
340:50-5-6	340:50-5-6, 1 page only, revised 6-1-11
340:50-5-8.1	340:50-5-8.1, 1 page only, revised 6-1-11
340:50-5-28	340:50-5-28, 1 page only, revised 6-1-11
340:50-5-48	340:50-5-48, 1 page only, revised 6-1-11
340:50-5-49	340:50-5-49, pages 1-5, revised 6-1-11
340:50-5-67	340:50-5-67, pages 1-7, revised 6-1-11
340:50-5-68	340:50-5-68, pages 1-2, revised 6-1-11
340:50-5-88	340:50-5-88, pages 1-8, revised 6-1-11
340:50-7, Table of Contents	340:50-7, Table of Contents, 1 page only, revised 6-1-11
340:50-7-1	340:50-7-1, 1 page only, revised 6-1-11
340:50-7-2	-----
340:50-7-3	-----
340:50-7-4	-----

REMOVE

INSERT

340:50-7-5	-----
340:50-7-22	340:50-7-22, pages 1-10, revised 6-1-11
340:50-7-29	340:50-7-29, pages 1-7, revised 6-1-11
340:50-7-30	340:50-7-30, pages 1-5, revised 6-1-11
340:50-7-31	340:50-7-31, pages 1-11, revised 6-1-11
340:50-9-1	340:50-9-1, pages 1-9, revised 6-1-11
340:50-9-5	340:50-9-5, pages 1-10, revised 6-1-11
340:50-11-1	340:50-11-1, 1 page only, revised 6-1-11
340:50-11-5	340:50-11-5, pages 1-2, revised 6-1-11
340:50-11-64	340:50-11-64, 1 page only, revised 6-1-11
340:50-11-111	340:50-11-111, pages 1-2, revised 6-1-11
340:50-11-112	340:50-11-112, 1 page only, revised 6-1-11
340:50-11-113	340:50-11-113, 1 page only, revised 6-1-11
340:50-11-115	340:50-11-115, 1 page only, revised 6-1-11
340:50-15-25	340:50-15-25, pages 1-3, revised 6-1-11

340:50-3-2. Interview processRevised 6-1-11

(a) **Face-to-face interview.** All households initially applying for food benefits, including those submitting applications by mail, must have a face-to-face interview with a worker except when the household:

(1) requests the interview be waived because the household is unable to appoint an authorized representative and does not have a household member able to come into the human services center (HSC) because of hardship conditions. Hardship conditions include, but are not limited to:

(A) education, training, or work hours that make it difficult to come into the HSC during office business hours;

(B) illness or the need to care for a family or household member;

(C) bad weather conditions;

(D) transportation problems of any kind;

(E) residence in a rural area; or

(F) advanced age or disability; or

(2) is being recertified for food benefits. At recertification, the interview may be conducted face-to-face or over the telephone. Recertification interviews may be waived for households when all adult members are elderly or disabled and have no earned income. ■ 1

(b) **Waiver of face-to-face interview.** When the face-to-face interview is waived, the worker conducts the interview as soon as possible either by phone or at a location convenient to the household such as a home visit. ■ 2

(1) The seven day expedited service or 30 calendar day processing standards apply.

(2) The home visit or telephone interview is scheduled in advance with the household.

(3) The household must provide the required verification. If the household is unable to furnish the required verification, the worker provides assistance.

(c) **Postponed interviews.** Households applying for food benefits who complete and sign an online application or drop off, mail, or fax a complete and signed Form 08MP001E, Request for Benefits, to the HSC and appear eligible for expedited services per OAC 340:50-11-1 may have the interview postponed in certain circumstances.

(1) The interview may be postponed when:

(A) the applicant's identity is verified; and

(B) the worker is unable to contact the household or determines that an interview cannot be scheduled within seven calendar days. ■ 3

(2) When the interview is postponed, the household is sent Form 08AD092E, Client Contact and Information Request, setting an interview date and listing verification that must be provided before further benefits are approved. Per OAC 340:50-3-1 and 340:50-11-5, the interview must be completed and postponed verification provided within 30 calendar days of the application date in order to avoid a break in benefits. If the interview is completed and postponed verification provided within 60 calendar days of the date of application, a new application is not needed. Benefits are prorated from the date the interview is completed and verification provided. ■ 4

(d) **Who must be interviewed.** The person interviewed may be the head of the household, spouse, any other responsible member of the household, or an authorized representative who knows the household's circumstances. The household may bring any person of their choice to the face-to-face interview.

(e) **Worker responsibilities during the interview.** During the face-to-face interview, the worker: ■ 5

(1) reviews with the household the information on the application and resolves unclear and incomplete information;

(2) inquires whether changes have occurred in the household's income, deductions, or other circumstances since the application was filed;

(3) advises the household of its rights and responsibilities, including reporting requirements;

(4) conducts the face-to-face interview as an official and confidential discussion of household circumstances limited to facts related to food benefit eligibility factors; and

(5) ensures the household's right to privacy is protected.

(f) **Scheduling interviews.** The face-to-face interview or alternate interview method is scheduled as promptly as possible after the filing of the application to ensure the household, if eligible, may participate within 30 calendar days following the date of application. If the person to be interviewed is employed, the worker schedules an appointment to minimize the person's absence from work even if it must be scheduled outside normal business hours. If the person is unable to attend a scheduled face-to-face interview for any of the reasons stated in (a) of this Section, the worker offers to waive the face-to-face interview and schedule a telephone interview or home visit.

(1) **Timely reapplications.** A household making a timely reapplication has the interview scheduled as early as possible, but not later than the last day of the month.

(A) If the household fails to appear for the first interview, further interviews are not scheduled unless the household requests another appointment by the 30th calendar day after the application date. ■ 6

(B) Upon request, the worker reschedules the interview at the earliest possible date.

(2) **Untimely reapplications and initial applications.** A household making an untimely reapplication or an initial application is scheduled for an interview as early as possible, but not later than 20 calendar days from the application date.

(A) If the household fails to appear for the scheduled interview, further interviews are not scheduled unless the household requests another appointment by the 30th calendar day after the application date. ■ 6

(B) Upon request, the worker reschedules the interview at the earliest possible date.

(g) **Household cooperation.** To determine eligibility, the application must be completed and signed, the household or its authorized representative must be interviewed, and required information on the application verified to determine eligibility.

(1) If the household refuses to cooperate with the worker in completing this process, the application is denied at that time.

(A) For a determination of refusal to be made, the household must be able to cooperate, but clearly demonstrate that it will not take the necessary actions required to complete the application process.

(B) The household is also ineligible if it refuses to cooperate in any subsequent review of eligibility, including reviews generated by reporting changes, recertifications, or an Office of Inspector General Quality Control (QC) review.

(2) If an application is denied or food benefits are terminated for refusal to cooperate, the household may reapply, but may not be determined eligible until it cooperates.

(3) If food benefits have been terminated for refusing to cooperate with the QC reviewer and reapplication is made after 95 calendar days from the end of the QC review period, October 1 through September 30, the household must provide verification of eligibility factors only for the reapplication. For example, if a household had a QC review during the October 2009 through September 2010 annual QC review period and food benefits were terminated for refusal to cooperate with the QC review, the household is required to provide verification for the reapplication only if it is filed after January 2, 2011.

INSTRUCTIONS TO STAFF 340:50-3-2

Revised 6-1-11

1. (a) Recertification interviews may be waived for households in which all adult members are elderly or disabled and have no earned income when:

(1) the recertification is complete and received timely by the Oklahoma Department of Human Services (OKDHS) per OAC 340:50-9-1 and 340:50-9-3;

(2) an interview has not been requested by the household or authorized representative;

(3) all required verification, if requested on Form 08AD092E, Client Contact and Information Request, is acceptable and received within ten calendar days; and

(4) the household continues to be eligible to receive benefits.

(b) An interview must be completed when:

- (1) the household or authorized representative requests an interview;**
 - (2) any information appears questionable, contradictory, or incomplete; or**
 - (3) it appears the household is ineligible for continued benefits.**
- 2. When the human services center (HSC) face-to-face interview is waived and an alternate interview method is used, the worker must document in the Family Assistance/Client Services (FACS) case notes the reason the person was unable to come to the HSC for the face-to-face interview and the alternate interview method used.**
- 3. (a) The worker documents in FACS case notes:**
 - (1) all attempts to contact the household; and**
 - (2) the reason for postponing the interview.**

(b) The worker certifies the SNAP tab in the FACS Eligibility Notebook with an S in the Action Taken field and an EO in the Reason field.
- 4. When the interview is postponed, the worker must schedule an interview within 30 calendar days of the application date.**
- 5 In order to conduct an in-depth interview, the worker must review previous applications, other information contained in the food benefit case record, and all related case records prior to the interview.**
- 6. If a member of the food benefit household or the household's authorized representative fails to appear for, or comply with the first scheduled interview, the worker puts the application in FDENY status using reason 59. This will issue the Notice of Missed Interview (NOMI).**

340:50-5-3. Persons who cannot be separate food benefit householdsRevised 6-1-11

Separate food benefit household status may not be granted to persons living together, as described in (1) through (4), even if they customarily purchase food and prepare meals for home consumption separate and apart from the others, except as otherwise specified in this section. Separate status may not be granted to:

- (1) a spouse, ceremonial or common law, of a household member;
- (2) children, 21 years of age and under, living with their natural or adoptive parent(s) or stepparent(s);
- (3) children, 18 years of age and under who live with and are under the parental control of an adult who is someone other than their natural or adoptive parent(s) or stepparent(s).

(A) Per Chapter 4 of Title 10 of the Oklahoma Statutes, a minor may be considered emancipated if the district court confers upon the minor the rights of majority.

(B) The worker considers the child to be under parental control for purposes of this provision when he or she is financially or otherwise dependent on a member of the household.

(C) This provision does not apply to foster children or children placed in the home by the Developmental Disabilities Services Division (DDSD); or

- (4) persons who live together and customarily purchase and prepare meals together except as described in OAC 340:50-5-1(5).

340:50-5-6. Households with non-household members

Revised 6-1-11

(a) For those non-household members who have not been disqualified, such as students who are ineligible, the worker does not count the income of the non-household member.

(b) When the earned income of one or more household members and the earned income of a non-household member are combined into one wage, the worker determines the income for the household members by:

(1) counting the portion due to the household when it is possible to identify the household's share; or

(2) prorating the earned income equally and counting the household member's pro rata share when it is not possible to identify the household's share.

(c) When the household shares deductible expenses with the non-household member, the worker only deducts the amount the household actually paid or contributed as a household expense. When the payments or contributions cannot be differentiated, the worker prorates the expenses evenly among persons actually paying or contributing to the expense and deducts only the household's pro rata share.

340:50-5-8.1. Ineligible and illegal aliensRevised 6-1-11

Aliens not identified as qualified aliens per OAC 340:50-5-67(3) are not eligible for food benefits. The worker considers the income of ineligible aliens as available to the household. All aliens who are in the United States unlawfully, must be reported to the United States Citizenship and Immigration Services (USCIS). ■ 1

INSTRUCTIONS TO STAFF 340:50-5-8.1Revised 6-1-11

1. Determinations of immigration status are the responsibility of the United States Citizenship and Immigration Services (USCIS). The Family Support Services Division (FSSD) Supplemental Nutrition Assistance Program (SNAP) Section, per Section 11(e)(16) of the Food and Nutrition Act of 2008, reports to USCIS the names and addresses of food benefit applicants and/or recipients who are determined to be residing in the U.S. unlawfully.

(1) The worker is not required to report:

(A) applicants and/or recipients who are undocumented and appear to be residing in the U.S. unlawfully; or

(B) persons who are not applicants or recipients who are not required to declare their citizenship status.

(2) The worker reports to FSSD the names and addresses of applicants and/or recipients who:

(A) admit illegal aliens are present in the household AND present USCIS documentation that is determined to be forged; or

(B) present a formal order of deportation or removal.

(3) The eligibility of households that include undocumented aliens is determined in the same manner as households that do not have undocumented persons.

(4) The requirement to report applicants and/or recipients who are residing in the U.S. unlawfully is not used to discourage participation in SNAP.

340:50-5-28. Shelter for battered women and childrenRevised 6-1-11

Residents of shelters for battered women and children may file an application and are certified using program requirements applicable to any other household. To be eligible for special eligibility rules in this Section, the shelter for battered women and children must provide a majority of the residents' meals. Residents of shelters providing meals voluntarily apply on their own behalf. They may name a shelter member or other person to act as an authorized representative for application and certification purposes; however, the residents are expected to control the use of their own allotment.

(1) Verification for shelter status. Human services center (HSC) staff are responsible for verifying that the shelter for battered women and children meets the definition specified in OAC 340:50-5-7(b).

(A) Verification of non-profit status is accomplished by seeing correspondence from Internal Revenue Service (IRS) stipulating that the organization is tax-exempt as a charitable or educational entity under Section 501(c)(3) of the IRS code.

(B) If IRS documentation is not available, the worker sends a copy of the shelter's by-laws to the Family Support Services Division Supplemental Nutrition Assistance Program (SNAP) Section.

(C) SNAP Section staff notify the worker of the determination of non-profit status.

(D) HSC staff are responsible for keeping a list of shelters for battered women and children in their county whose status has been verified and must also keep documentation of that verification.

(2) Separate households. Shelter residents who are included in another active household may participate as a separate household if the active household which includes them is the household containing the person who subjected them to abuse. They may receive an additional allotment as a separate household only once a month. The worker takes prompt action to remove shelter residents from the active household's composition and allotment.

(3) Income and expenses. The worker certifies residents applying as a separate household solely on the basis of their own income and the expenses for which they are responsible. Income and the expenses of their former household are disregarded. Room payments to the shelter are considered as shelter expense.

340:50-5-48. Migrant farm laborersRevised 6-1-11

Migrant farm laborers usually have little or no income upon arriving at a work area; therefore, the worker should be alert to the need for emergency food and determine whether the migrant farm laborer's household qualifies for expedited services.

(1) **Income.** In addition to income declared by the household, the worker explores the possibility that out-of-state real property is being rented or is producing income. If home property is producing income, the income must be added to all other household income to determine eligibility and food benefit allotment.

(2) **Exempt income of children in migrant households.** Since many migrant households receive one payment in combination for work performed by all household members, the income of a student under 18 years of age must be differentiated from the rest of the household's income. The worker prorates the income equally among the number of household members working and excludes that portion allowed to the student.

(3) **Deductions from income.** When eligible, the worker deducts expenses described at OAC 340:50-7-31 from the household's income.

(4) **Work registration.** Employable members of migrant households who are not employed at least 30 hours a week or receiving weekly earnings equal to the federal minimum wage times 30 hours must register for and accept suitable employment the same as other persons.

340:50-5-49. Sponsored aliensRevised 6-1-11

(a) Sponsored aliens whose sponsor signed an enforceable affidavit of support may be subject to sponsor deeming, unless exempt from deeming requirements. ■ 1 Sponsored aliens exempt from deeming requirements include:

(1) aliens who are a battered spouse, battered child or parent, or child of a battered person when they live in a separate residence from the person responsible for the battery. The worker grants the exemption for a 12-month period. The exemption can be extended beyond the 12-month period if the alien demonstrates that the battery is recognized in a court or administrative order and if it is determined by the Oklahoma Department of Human Services (OKDHS) that the battery has a substantial connection to the need for benefits;

(2) when the food benefit household includes the alien and the sponsor, the sponsor's income already counts. When the sponsor receives food benefits in another household, the sponsor's income must be deemed;

(3) when the sponsored alien is ineligible for food benefits because of immigration status, such as he or she is not a qualified alien;

(4) children under the age of 18;

(5) when the alien's own income and any assistance provided by the sponsor or any other person is not enough for the alien to obtain food and shelter without help from other assistance programs. The worker cannot attribute more income and resources to the alien than actually received for a 12-month period. An alien is considered indigent if the sum of alien's household's own income and any cash or in-kind assistance provided by the sponsor or others is less than 130% of the poverty limit as shown on OKDHS Appendix C-3, Maximum Food Benefit Allotments and Standards for Income and Deductions. Each indigence determination is effective for 12 calendar months and may be renewed for additional 12-month periods.

(A) When exempted under this subsection, OKDHS must send a written notice of the determination to the statistics branch of United States Citizenship and Immigration Services (USCIS). ■ 2

(B) After learning of the reporting requirement, the alien may be given the opportunity to refuse food benefits for himself or herself without withdrawing the entire household's application.

(C) An alien who does not wish to be exempt as indigent can be permitted to have his or her eligibility and benefits determined based on the deeming formula.

(b) When the household is not exempt from deeming requirements, the worker counts the income and resources of a sponsor and his or her spouse as the unearned income and resources of the sponsored alien. The worker counts the income of the sponsor's spouse even when the marriage occurred after the sponsor signed an agreement to support the sponsored alien.

(1) A sponsor is defined as a person, not an organization, who executed an affidavit of support or similar agreement on behalf of the alien as a condition of the alien's entry or admission into the United States as a permanent resident.

(2) In addition to providing information required for any other applicant, if deeming is required, the sponsored alien must provide the: ■ 3

(A) income and resource information of the alien's sponsor and the sponsor's spouse;

(B) number of other aliens sponsored by the sponsor;

(C) Immigration and Naturalization Services (INS) Act under which the alien was admitted and the date of entrance;

(D) alien's birthdate, birthplace, and registration number;

(E) number of dependents claimed on the sponsor's and his or her spouse's income tax statement; and

(F) name, address, and phone number of the sponsor.

(3) In addition to verification requirements described in OAC 340:50-3-3, the sponsored alien is also required to provide proof of non-liquid resources of the sponsor and the number of aliens he or she sponsors if a household member has been determined to have committed an intentional program violation per OAC 340:50-15-25.

(4) If an alien has already reported the gross income and resources of the sponsor and the sponsor's spouse in a Temporary Assistance for Needy Families (TANF) case, that income amount may be used for food benefit purposes. The amount of the sponsor's income and resources deemed to the sponsored alien is determined by:

(A) using the total monthly gross earned income, including income from self-employment but excluding in-kind or vendor payments to the sponsor and sponsor's spouse, minus 20% of the gross earned income, plus total monthly unearned income.

(i) In-kind assistance such as food and shelter provided to the alien must be included as income in determining indigent exemption only. It is not considered when determining eligibility or benefit levels for the sponsored alien household.

(ii) In the absence of actual declared in-kind assistance cost provided by the sponsor, the worker uses an assigned value of \$143; and

(B) subtracting the food benefit gross income eligibility standard for the sponsor and the dependents as claimed by the sponsor to determine his or her federal personal income tax liability; and

(C) considering the total amount of the resources of the sponsor and sponsor's spouse less \$1,500.

(5) Income and resources of the sponsor and sponsor's spouse considered available to the sponsored alien are:

(A) not considered in determining need of unsponsored members of the alien's household unless actually available;

(B) divided equally when the sponsor also sponsors other aliens; and

(C) redetermined on a new sponsor if the alien switches sponsors during the certification period.

(6) Countable resources of sponsors include:

(A) liquid resources such as:

(i) cash on hand;

(ii) checking or savings accounts;

(iii) savings certificates; and

(iv) stocks or bonds; and

(B) non-liquid resources such as:

(i) licensed and unlicensed vehicles;

(ii) boats;

(iii) land;

(iv) recreational property;

(v) mobile homes other than home property; and

(vi) vacation home property.

(7) Changes during the certification period must be reported for both the alien's and the sponsor's household.

(8) Sponsor-to-alien deeming stops when the sponsored:

(A) alien becomes a naturalized citizen;

(B) alien can be credited with 40 quarters of work per OAC 340:50-5-67; or

(C) alien's sponsor is deceased.

INSTRUCTIONS TO STAFF 340:50-5-49

Revised 6-1-11

1. Only aliens who entered the United States (U.S.) on or after December 19, 1997 with U.S. Citizenship and Immigration Services (USCIS) Forms I-864 or I-864A are subject to the deeming requirement if not exempt.

2. (a) Every attempt is made to exempt the sponsored alien from deeming under exemptions (a)(1) through (4) of this Section.

(b) The current address for the USCIS Statistics Division is U.S. Citizenship and Immigration Services Statistics Division, Room 4034 425 I Street NW, Washington DC, 20536. The written notice must include:

(1) the reference, "Determinations under 421(e) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996"; and

- (2) the name of the sponsored alien and his or her sponsor.**
- 3. The worker must assist the household in obtaining the necessary verification. If necessary, USCIS through the Systematic Alien Verification for Entitlements (SAVE) program can provide the sponsor's name, address, and Social Security number.**

340:50-5-67. Citizenship and alien statusRevised 6-1-11

(a) As defined in federal law, to be eligible for food benefits a person must be:

- (1) a United States (U.S.) citizen; ■ 1
- (2) a U.S. non-citizen national; ■ 2
- (3) an alien who is both qualified and eligible; or ■ 3
- (4) an alien not required to meet qualified alien status. ■ 4

(b) Pursuant to Section 71 of Title 56 and Section 20j of Title 74 of the Oklahoma Statutes, all persons 14 years of age and older must declare whether they are residing in the U.S. lawfully and may be required to sign Form 08MP005E, Citizenship Affidavit, per OAC 340:65-3-1(g).

INSTRUCTIONS TO STAFF 340:50-5-67Revised 6-1-11

1. (a) **A United States (U.S.) citizen is a person, other than a foreign diplomat, born in the U.S., Puerto Rico, Guam, the U.S. Virgin Islands, or Northern Mariana Islands, who has not renounced or otherwise lost his or her citizenship. A person born outside the U.S. is a U.S. citizen if at least one parent is a U.S. citizen at the time of the child's birth.**

(b) The applicant or recipient must declare the citizenship or alien status of all household members requesting food benefits on the application. Form 08MP022E, Declaration of Citizenship Status, is used to declare citizenship or alien status when new household members are added to the food benefits after certification.

(c) If a household member's U.S. citizenship is questionable, the household member must provide verification. Verification of citizenship is made by examining:

- (1) birth certificate;**
- (2) baptismal certificate;**

- (3) U.S. passport; or**
- (4) certification of citizenship or naturalization provided by the U.S. Citizenship and Immigration Services (USCIS), such as identification card for use of the resident citizen of the U.S., USCIS Form I-179, or USCIS Form I-197.**
- (d) If verification of citizenship cannot be obtained and the household provides a reasonable explanation for why verification is not available, the worker accepts a signed statement from someone who is a U.S. citizen who declares under penalty of perjury that the person in question is a U.S. citizen. The signed statement must contain a warning that "if you intentionally give false information to help this person get food benefits, you may be fined, imprisoned, or both." When the person is 14 years of age or older, he or she may also be required to complete Form 08MP005E, Citizenship Affidavit, per OAC 340:65-3-1(g).**
- (e) Members of the household whose citizenship is in question are ineligible and the worker counts their income for the food benefit household per OAC 340:50-5-8.1 until they provide proof of U.S. citizenship.**
- (f) When the applicant declares that some or all of the household members applying for benefits are aliens, the worker must follow the SAVE procedures described at OAC 340:65-3-4 to determine if the documents provided to verify legal alien status are valid.**
- 2. A U.S. non-citizen national is a person born in outlying possessions of the U.S. on or after the U.S. acquired possession or his or her parent(s) is a U.S. non-citizen national. Examples of outlying possessions are American Samoa or Swains Island.**
- 3. (a) A qualified alien is a person who at the time he or she applies for or receives food benefits is:**

 - (1) lawfully admitted for legal permanent residence (LPR) in the U.S. under Section 584 of the Foreign Operations, Export Financing and Related Programs Appropriations Act of 1988;**
 - (2) granted asylum under Section 208 of the Immigration and Nationality Act (INA);**

(3) an alien whose deportation is being withheld under Section 243(h) of the INA as in effect before April 1, 1997, or removal is withheld under Section 241(b)(3) of the INA;

(4) a refugee who is admitted under Section 207 of the INA;

(5) a Cuban or Haitian entrant under Section 501(e) of the Refugee Education Assistance Act of 1980, including Haitian orphans permitted to enter the U.S. under humanitarian parole on or after January 12, 2010;

(6) paroled into the U.S. under Section 212(d)(5) of the INA for at least one year;

(7) granted conditional entry pursuant to Section 203(a)(7) of the INA as in effect before April 1, 1980;

(8) a battered spouse, battered child or parent or child of a battered person with a petition pending under Section 204(a)(1)(A) or (B) or Section 244(A)(3) of the INA; or

(9) a victim of a severe form of trafficking and/or his or her eligible relatives.

(A) A victim has a letter of certification issued by Office of Refugee Resettlement (ORR). The victims and their eligible relatives also have a T Visa.

(B) To verify the validity of ORR issued letters and to inform ORR of the benefits for which the victims have applied, call the victims verification toll-free number 1-866-401-5510.

(b) To be eligible, a qualified alien must meet at least one of the criteria listed in (1) through (9) of this Instruction to Staff (ITS) and is not limited in participation unless otherwise stated. The qualified alien:

(1) is a veteran of the U.S. military who was honorably discharged for a reason(s) other than alienage. The veteran must have at least 24 months of active service or if the veteran was called to active duty for a specified time less than 24 months had completed the specified number of months of service. The veteran's spouse and unmarried dependent children are also eligible with no time limits. The term veteran also includes:

- (A) military personnel who die during active duty service; and**
 - (B) persons who served in the Philippine Commonwealth Army during World War II or as a Philippine scout following the war;**
- (2) is an unmarried dependent child of a deceased veteran or person who died during active duty service;**
- (3) is the surviving spouse of a deceased veteran or person who died during active duty service who has not remarried and who was married to the veteran:**
 - (A) for at least one year;**
 - (B) before the end of a 15-year time span following the end of the period of military service in which the injury or disease was incurred or aggravated; or**
 - (C) for any period of time if a child was born of the marriage or before the marriage;**
- (4) is on active military duty, not including active duty for training, the alien's spouse, or an unmarried dependent child;**
- (5) can be credited with 40 qualifying quarters of coverage under Title II of the Social Security Act.**
 - (A) Quarters may be used both by the person working them and the persons to whom they are deemed.**
 - (B) Quarters worked after December 31, 1996 are not counted or credited as part of the 40-quarter fulfillment if the alien, his or her parent(s), or spouse received any means-tested public benefit during that quarter. Means-tested public benefits are:**
 - (i) Supplemental Security Income (SSI);**
 - (ii) food benefits;**
 - (iii) Temporary Assistance to Needy Families (TANF);**

(iv) **SoonerCare (Medicaid); and**

(v) **the Food Assistance Program in Puerto Rico, American Samoa, and the Northern Mariana Islands.**

(C) Quarters credited may be:

(i) **earned by the person;**

(ii) **earned by a spouse during the period of the legal marriage including common law;**

(iii) **earned by a spouse now deceased during their marriage if the surviving spouse has not remarried;**

(iv) **earned by parents, natural or adoptive, while the alien child was under 18 years of age and unmarried. This includes quarters earned before the birth of the person. The alien child can continue to count these quarters after he or she reaches 18 years of age;**

(v) **earned by a stepparent during the marriage to the alien child's natural or adoptive parent. The alien child can continue to count these quarters after he or she reaches 18 years of age. The step relationship is based on the marriage of the child's parent to the stepparent. The quarters can be credited from the quarter in which the marriage occurred through the quarter the child attains 18 years of age. During a marital separation, the quarters are counted. If the marriage ended by the death of the stepparent, the stepparent's quarters are counted. If the marriage ended because of divorce, the stepparent's quarters are not counted; or**

(vi) **deemed back and forth within the family group, from spouse to spouse, and parent to child, but not from child to parent. For example, the mother and father each have 20 countable quarters that can be deemed to each other as well as any of their minor children living in the home, making them all eligible;**

(6) is currently receiving disability or blindness payments under programs described in OAC 340:50-5-4(a)(2) through (a)(8)(B);

(7) has resided in the U.S. as a qualified alien for five years since date of entry;

(8) has been admitted to the U.S. as:

(A) a refugee to the U.S. under Section 207 of the INA;

(B) an alien granted asylum under Section 208 of the INA;

(C) an alien whose deportation is being withheld under Section 243(h) or 241(b)(3) of the INA;

(D) an Amerasian admitted pursuant to Section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1988;

(E) a Cuban or Haitian entrant under Section 501(e) of the refugee Education Assistance Act of 1980, including Haitian orphans permitted to enter the U.S. under humanitarian parole on or after January 12, 2010; or

(F) a victim of a severe form of trafficking and his or her eligible relatives; or

(9) is a child under 18 years of age regardless of when he or she was admitted.

(c) When the applicant declares that some or all of the household members applying for benefits are aliens, the worker must follow the SAVE procedures described at OAC 340:65-3-4 to determine if the documents provided to verify legal alien status are valid.

4. Aliens not required to meet qualified alien status are:

(1) American Indians born in Canada to whom the provisions of Section 289 of the INA [8 United States Code (USC) 1359] apply and members of an Indian tribe as defined in Section 4(e) of the Indian Self-Determination and Education Assistance Act. [25 USC 450(e)] This provision was intended to cover American Indians who are entitled to cross the U.S. border into Canada or Mexico. This includes among others, the:

- (A) St. Regis Band of the Mohawk in New York State;**
 - (B) Micmac in Maine;**
 - (C) Abanaki in Vermont; and**
 - (D) Kickapoo in Texas;**
- (2) persons who are lawfully residing in the U.S. and were members of a Hmong or Highland Laotian tribe at the time the tribe rendered assistance to the U.S. personnel by taking part in a military or rescue operation during the Vietnam era beginning August 5, 1964 and ending May 7, 1975. The spouse or surviving spouse who has not remarried and unmarried dependent children of such person may also be eligible for food benefits;**
- (3) Iraqis admitted in special immigrant status as defined in Section 101(a)(27) of INA [8 U.S.C. 1101(a)(27)], and per Section 1059, Public Law (P.L.) 109-163, the National Defense Authorization Act for Fiscal Year 2006, and Section 1244 of P.L. 110-181 the National Defense Authorization Act for Fiscal Year 2008 pursuant to Section 525 of Division G of P.L. 110-161, the Consolidated Appropriations Act of 2008, and Section 1244 of P.L. 110-181, the National Defense Authorization Act for Fiscal year 2008, and the Department of Defense Appropriations Act of 2010 Section 8120 P.L. 111-119 are treated as refugees pursuant to Section 207 of the INA.**
- (4) Afghans admitted in special immigrant status as defined in Section 101(a)(27) of INA [8 U.S.C. 1101(a)(27)] and per Section 1059 P.L. 109-163, the National Defense Authorization Act for Fiscal Year 2006, and Section 602, Division F, P.L. 111-08, the Omnibus Appropriations Act, 2009, pursuant to Section 525 of Division G of P.L. 110-161 of the Consolidated Appropriations Act, 2009, and the Department of Defense Appropriations Act of 2010 Section 8120 P.L. 111-119 are treated as refugees pursuant to Section 207 of the INA.**

340:50-5-68. Social Security numbersRevised 6-1-11

(a) Each household member must provide his or her Social Security number (SSN) when applying for participation in the Supplemental Nutrition Assistance Program (SNAP). The worker explains to the applicant that refusal to provide SSNs will result in disqualification of the person for whom a SSN is not provided. ■ 1

(1) If an applicant cannot provide a SSN, proof of application is required prior to certification for each household member except a newborn.

(2) The household must provide the SSN or proof of application for the newborn at its next recertification or within six months following the month the baby is born, whichever is later.

(b) If the worker determines a household member has refused or failed to make all efforts to apply for or provide a SSN for a household member, that person is ineligible to participate in SNAP.

(1) The disqualification applies to the person for whom the SSN is not provided and not to the entire household.

(2) The income of persons disqualified for failure to provide a SSN are considered in determining food benefit eligibility.

(3) Disqualification ends when the SSN is provided or the SSN application is made and verified.

INSTRUCTIONS TO STAFF 340:50-5-68Revised **6-1-09**

1. (a) In determining if good cause exists for failure to comply with the requirement to apply for or provide a Social Security number (SSN), the worker considers information from the household member and the Social Security Administration (SSA).

(1) Documentary evidence or collateral information the household member has applied for a SSN or made every effort to supply SSA with the necessary information to complete an application for a SSN is considered good cause for not complying timely with this requirement.

- (A) Good cause does not include delays due to illness, lack of transportation, or temporary absences, because SSA makes provisions for mail-in applications in lieu of applying in person.**
- (B) If the household member can show good cause why an application for a SSN has not been completed in a timely manner, that person is allowed to participate for one month in addition to the month of application.**
- (2) If the household member applying for a SSN has been unable to obtain the documents required by SSA, the worker makes every effort to assist the person in obtaining these documents.**
- (3) Good cause for failure to apply is documented monthly in the Family Assistance/Client Services (FACS) case notes in order for the household member to continue to participate.**
- (b) Once it is documented that an application for a SSN has been filed, the household member participates pending notification of the household member's SSN.**

340:50-5-88. Requirements after registrationRevised 6-1-11

Requirements after registration in the Job Search Project are applicable only to registrants in the Job Search Project human services center (HSC).

(1) **Employment and Training (E&T) Program.** The intent of the Supplemental Nutrition Assistance Program (SNAP) E&T Program is to ensure all able-bodied food benefit recipients are involved in meaningful work related activities which will lead to paid employment and a decreased dependency on assistance programs. The Oklahoma Department of Human Services (OKDHS) is responsible for assisting and directing persons in E&T activities which enable them to achieve or maintain economic self support. These activities include registration for E&T, employment related evaluations and assessment, employability planning, counseling, job developing, and job placement.

(A) All work registrants not exempted from work registration who live in the designated SNAP E&T HSC office boundaries or have not been exempted from E&T activity must participate in the SNAP E&T Program. ■ 1 Food benefit recipients exempted from work registration or from E&T may participate in the SNAP E&T Program as a volunteer.

(B) The E&T requirement applies each time a registrant loses a work registration exemption, re-enters SNAP after a period of absence, or each 12 months, whichever occurs first.

(C) If a work registrant becomes exempt from work registration at any point during the E&T process, E&T requirements no longer apply.

(D) When a work registrant moves from a non-E&T HSC into the Job Search Project HSC boundaries, the E&T is initiated for work registrants immediately following receipt and review of the case file. When a work registrant moves from the Job Search Project HSC boundaries into a non-E&T HSC boundaries, E&T requirements no longer apply.

(2) **SNAP E&T exemptions.** Mandatory work registrants not exempted from work registration may be exempted from the SNAP E&T Program if the registrant:

(A) resides an unreasonable distance from the HSC or potential employer. A distance is considered unreasonable if the round trip exceeds two hours by public or private transportation;

(B) is a migrant or seasonal farm worker away from his or her home base and following the work stream;

(C) lacks adequate child care;

(D) has physical or mental problems;

(E) is 55 years of age or older and working under Title V of the Older American Act; or

(F) is homeless as defined in OAC 340:50-5-29.

(3) **E&T classification.** Participants are classified into four groups.

(A) **Job ready.** The registrant does not have substantial barriers to employment.

(B) **Not job ready.** This classification is assigned when the food benefit work registrant has barriers that require services not available through the SNAP E&T Program. If this classification is assigned, the person's worker or food benefit E&T worker finds services to eliminate these barriers to employment.

(C) **Job attached.** The registrant is temporarily laid off or expects to return to work within 60 calendar days. This classification is assigned for only 60 calendar days. At the end of the 60 calendar day period, the registrant, if still unemployed, is reassessed and reclassified to a different category.

(D) **Exempt.** This classification is assigned if the registrant meets any of the conditions listed in paragraph (2) of this subsection.

(4) **SNAP E&T component assignments.** Participants classified as job ready are assigned to an E&T component as described in (A) through (C) of this paragraph.

■ 2

(A) **Job Search.** Participants assigned to this component are required to contact a minimum of 24 employers within an eight-week period or two four-week periods. One eight-week period is eight consecutive weeks of job search with a follow-up meeting after the first four weeks. A two four-week job search period has a period of time between the two job search periods. One follow-up interview is required each four weeks.

(i) A job contact is defined as a registrant presenting himself or herself as available and applying for work.

- (ii) Appointments are scheduled on Form 08FB020E, Supplemental Nutrition Assistance Program (SNAP) Employment and Training Letter. ■ 3
- (iii) The job search assignment is given to the registrant in writing on Form 08FB022E, Job Search Plan. This form is also used to schedule follow-up interviews and used by the registrant to report job contacts. Job contacts are reported in writing and the registrant must attest that the signed statement is true. Employers contacted by the registrant are not required to provide written confirmation of the contact, but the registrant is required to sign the statement attesting he or she made the contacts. ■ 4
- (iv) If an E&T participant is referred to a job contact by the food benefit E&T worker and does not make this contact, the E&T worker initiates conciliation per (6)(A) of this Section.
- (v) If an E&T participant does not accept a job offered to him or her without good cause, the food benefit E&T worker initiates conciliation per (6)(A) of this Section.
- (B) Workforce Investment Act (WIA) component.** A participant assigned to a WIA component is eligible for all the services available through WIA. ■ 5 A participant assigned to this component has completed the job search component without finding a job or is identified by the E&T worker as a person who can benefit from the services available through WIA. When the component is assigned, the participant is provided Form 08TW003E, Interagency Referral and Information, to take to WIA. ■ 6 The E&T participant is responsible for returning to the E&T worker Form 08TW003E signed by a representative of WIA. ■ 7
- (C) Oklahoma Employment Security Commission (OESC) component.** A participant assigned to this component is eligible for all the services available at OESC. ■ 8 A participant assigned to this component is an E&T participant the E&T worker has determined would benefit from these services. When this component is assigned, the E&T worker gives the participant Form 08TW003E to take to OESC. ■ 6 The E&T participant is responsible for returning to the E&T worker Form 08TW003E signed by a representative of OESC. ■ 7
- (5) **E&T related expenses.** A participant in the SNAP E&T Program may receive up to \$25 per month for E&T activity if another agency is not reimbursing the participant for the same type of activity. Reimbursement is \$3 for a half day, four hours or less, and \$6 for a full day, more than four hours.

(A) The food benefit E&T worker gives Form 08FB023E, Supplemental Nutrition Assistance Program Employment and Training Participation Report, to the E&T participant to complete Part 1 and return to the HSC during the first week of each month.

(B) A work registrant with a child under 12 years of age required to participate or who volunteer in the SNAP E&T Program is eligible for a maximum child care payment of \$200 per month per child paid to the child care provider. See OAC 340:50-5-97 for voucher authorized child care for the SNAP E&T Program.

(6) Failure to comply.

(A) A registrant who fails to keep a scheduled E&T interview or fails to comply with E&T requirements and does not meet the good cause provision in (7) of this Section, is given the opportunity to comply through a conciliation period. The purpose of conciliation is to resolve disputes in an informal fashion and avoid invoking penalties. The conciliation period starts the day after noncompliance with E&T requirements is determined and lasts for no more than ten calendar days.

■ 9

(B) If the registrant has not responded to the conciliation process by the tenth calendar day, the ten-day advance notice is sent. The adverse action is taken for noncompliance of E&T requirements. This notice is sent no later than the last day of the conciliation period.

(C) To comply with conciliation or show a good faith effort to comply, the participant during the conciliation period must:

(i) be assessed or assigned, if he or she failed to be assessed or assigned;

(ii) complete the balance of job contacts or at least three verified contacts, if he or she failed to complete job search component; or

(iii) provide Form 08TW003E, if he or she failed to return Form 08TW003E from the WIA or OESC component.

(D) If conciliation has failed, mandatory disqualification periods are imposed. The disqualification period for households whose non-compliant E&T registrant is the head of household does not exceed the lesser of the duration of ineligibility listed in (i) through (iii) of this paragraph or 180 calendar days. For all other non-compliant E&T registrants, disqualification periods remain in effect until the later of

the date the household member complies with the work rules or is disqualified for the:

- (i) first violation, one month;
- (ii) second violation, three months; or
- (iii) third or subsequent violation, six months.

(E) The disqualification cannot be ended unless the required household member meets the criteria in (6)(D) of this subsection, leaves the household, or becomes exempt from work registration.

(i) If any household member who failed to comply with E&T joins another household as the head of household, the entire new household is ineligible for the remainder of the disqualification period.

(ii) If the member who failed to comply with E&T joins another household where he or she is not the head of the household, the person is considered an ineligible household member.

(F) Households and persons disqualified for failure to comply with E&T requirements may request a fair hearing and continue participation.

(G) If the participant fails to comply with E&T requirements and meets the definition of head of household, the food benefits are closed.

(H) If the participant fails to comply with E&T requirements and does not meet the definition of head of household, that person is removed from the case. His or her income continues to be counted.

(I) For purposes of failure to comply with work requirements, the head of household is defined in OAC 340:50-5-90.

(J) The principal wage earner is the household member, including excluded members, who has the greatest earned income in the two months prior to the violation.

(7) **Good cause.** Good cause includes circumstances beyond the registrant's control, such as, but not limited to: ■ 10

(A) illness;

(B) illness of another household member requiring the presence of the registrant;

(C) a household emergency;

(D) unavailability of transportation; or

(E) lack of adequate child care for children ages 6 through 11.

(8) **Suitable work.** Any employment offered is considered suitable:

(A) if the wage offered is at least the highest of the applicable federal minimum wage, the applicable state minimum wage, or 80% of the federal minimum wage, if neither the state nor federal minimum wage applies;

(B) if the employment offered is on a piece-rate basis and the average hourly wage the employee can reasonably expect is at least equal to the applicable hourly wages specified;

(C) if the registrant, in order to be hired or to continue working, is not required to join, resign from, or refrain from joining any legitimate labor organization;

(D) if the work offered is not at a site subject to a strike or lockout at the time of the offer unless the strike has been enjoined under the Labor Management Relations Act (Taft-Hartley) or an injunction has been issued under Section 10 of the Railway Labor Act; or

(E) unless the registrant demonstrates or the worker determines the:

(i) risk to health and safety is unreasonable;

(ii) household member is physically or mentally unfit to perform the employment as documented by medical evidence or other reliable information;

(iii) employment offered within the first 30 calendar days of registration is not in the registrant's major field of experience;

(iv) distance from the registrant's home to the place of employment is unreasonable based on the expected wage and the time and cost of daily commuting. Commuting time cannot exceed two hours daily; or

(v) working hours or nature of the employment interferes with the registrant's religious observations, convictions, or beliefs.

(9) **Monitoring E&T.** The Family Support Services Division SNAP Section staff monitor the SNAP E&T Program. ■ 11

INSTRUCTIONS TO STAFF 340:50-5-88

Revised 6-1-11

1. If the client lives in the Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) human services center (HSC) boundaries but maintains his or her case record in a different HSC, the client is not required to participate in E&T.
2. This component assignment is the responsibility of the E&T worker.
3. If the participant does not comply with the first scheduled appointment, the E&T worker enters a code in the system that causes a computer-generated notice to be sent.
4. Upon completion of the job search period, the E&T worker selects one of the registrant's job contacts at random and verifies the information provided by the registrant.
5. It is the responsibility of the E&T worker to learn what services are available through Workforce Investment Act (WIA) in their Service Delivery Area (SDA) such as on-the-job training, classroom training, structured job search, or entry employment experience.
6. An appointment is scheduled with the participant by the E&T worker no later than 30 calendar days from the date the participant was referred to this component.
7. If the participant complies with the requirements, Family Assistance/Client Services (FACS) is updated showing the component began. If the participant does not comply with the first scheduled interview, the E&T worker enters a code in the system that causes a computer-generated notice to be sent.
8. It is the E&T worker's responsibility to learn what is available in the Oklahoma Employment Security Commission office assigned to his or her county such as employment testing, employment counseling, or job placement.

9. During this period, the E&T worker tries to resolve disputes between the Oklahoma Department of Human Services and the non-complying person. The E&T worker attempts to remove social, physiological, and psychological barriers to participation.
10. In determining good cause, the worker or E&T worker considers facts and circumstances submitted by the registrant and the employer.
11. Family Support Services Division SNAP Section staff mails the food benefit E&T monitoring schedule to the affected HSC each fiscal year showing the date the HSC is to be reviewed for that fiscal year. E&T reviews also are conducted when a problem appears to exist.

SUBCHAPTER 7. FINANCIAL ELIGIBILITY CRITERIA**PART 1. RESOURCES**

Section

- 340:50-7-1. Resources considered
- 340:50-7-2. Excluded resources **[REVOKED]**
- 340:50-7-3. Non-exempt resources **[REVOKED]**
- 340:50-7-4. Special resource situations **[REVOKED]**
- 340:50-7-5. Transfer of resources **[REVOKED]**

PART 3. INCOME

- 340:50-7-20. Income considered **[REVOKED]**
- 340:50-7-21. Verification of income **[REVOKED]**
- 340:50-7-22. Income exclusions
- 340:50-7-23. Payments which are not considered income **[REVOKED]**
- 340:50-7-24. Reimbursements **[REVOKED]**
- 340:50-7-25. Educational assistance **[REVOKED]**
- 340:50-7-26. Money received for third parties **[REVOKED]**
- 340:50-7-27. Earnings of a child **[REVOKED]**
- 340:50-7-28. Other types of excluded income **[REVOKED]**
- 340:50-7-29. Income inclusions
- 340:50-7-30. Self-employed households
- 340:50-7-31. Deductions

PART 5. DETERMINATION OF INCOME

- 340:50-7-45. Income
- 340:50-7-46. Converting to monthly income
- 340:50-7-47. Anticipating income **[REVOKED]**
- 340:50-7-48. Averaging income **[REVOKED]**
- 340:50-7-49. Limitations of allowable deductions **[REVOKED]**
- 340:50-7-50. Types of expenses not allowed as deductions **[REVOKED]**
- 340:50-7-51. Billed expenses deducted in month due **[REVOKED]**
- 340:50-7-52. Anticipating expenses **[REVOKED]**
- 340:50-7-53. Averaging expenses **[REVOKED]**

340:50-7-1. Resources considered

Revised 6-1-11

(a) Resources are excluded in determining eligibility for the Supplemental Nutrition Assistance Program (SNAP) unless the household:

(1) applies for expedited service. The worker must include the household's liquid resources as defined at (b) of this Section to determine eligibility for expedited service per OAC 340:50-11-1; or

(2) contains one or more sponsored aliens whose sponsor's resources must be considered per OAC 340:50-5-49.

(b) The worker accepts the household's statement regarding the value of liquid resources to determine expedited eligibility. Liquid resources include:

(1) cash on hand;

(2) checking or savings account balances;

(3) the cash value of savings certificates; and

(4) the cash value of stocks or bonds.

(c) The household must verify the value of liquid and non-liquid resources per OAC 340:50-5-49 when the sponsor's resources must be considered. After subtracting \$1,500 from countable resources, resources cannot exceed \$3,000 for households that contain a member who is disabled or 60 years of age or older or \$2,000 for all other households.

340:50-7-22. Income exclusionsRevised 6-1-11

Only the payments listed in this Section are excluded from the household's income, from income of disqualified members whose income is counted, or from the income of ineligible aliens who would otherwise be household members. No other income is excluded.

(1) **In-kind income.** In-kind income is any gain or benefit which is not in the form of money payable directly to the household, including non-monetary or in-kind benefits, such as meals, clothing, public housing, or produce from a garden.

(2) **Vendor payments.** Vendor payments are payments in money on behalf of a household when a person or organization outside the household uses its own funds to make a direct payment to either a household's creditors or a person or organization providing a service to the household. ■ 1

(3) **Educational assistance.** Educational assistance including grants, work-study, scholarships, fellowships, educational loans on which payment is deferred, veteran's education benefits, and the like are exempt if receipt is contingent upon the student regularly attending school and the money received is intended to offset the costs of education and expenses as identified by the institution, school, program, or other grantor. ■ 2 If the money is not intended to be a reimbursement, as described in paragraph (7) of this Section, and is a gain to the client, it is considered income. ■ 3

(4) **Family Support Assistance Payment Program.** Family Support Assistance Payment Program payments provided by Developmental Disabilities Services Division (DDSD) are excluded.

(5) **Income excluded by law.** Income excluded by law is:

(A) reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. [Public Law (P.L.) 91-646, § 216] Such payments are:

(i) payments to persons displaced due to the acquisition of real property;

(ii) relocation payments to a displaced home owner toward the purchase of a replacement dwelling if the owner purchased and occupied the dwelling within one year following displacement; and

- (iii) replacement housing payments to displaced persons not eligible for a home owner's payment;
- (B) payments received:
- (i) under the Alaska Native Claims Settlement Act [P.L. 92-203 § 21(a)];
 - (ii) under the Sac and Fox Indian Claims Agreement [P.L. 94-189];
 - (iii) from the disposition of funds to the Grand River Band of Ottawa Indians [P.L. 94-540];
 - (iv) by members of the Confederated Tribes of the Mescalero Reservation [P.L. 95-433]; or
 - (v) under the Maine Indian Claims Settlement Act of 1980 to members of the Passamaquoddy and the Penobscot Nation [P.L. 96-420];
- (C) any payment to volunteers under Title II, Retired and Senior Volunteer Program (RSVP), foster grandparents and others, of the Domestic Volunteer Services Act of 1973 [P.L. 93-113] as amended;
- (D) income derived from certain submarginal land of the United States which is held in trust for certain Indian tribes [P.L. 94-114, § 6];
- (E) Indian per capita payments distributed from judgment awards and trust funds made pursuant to P.L. 98-64. Also excluded is any interest or investment income accrued on such funds while held in trust or any purchases made with judgment funds, trust funds, interest, or investment income accrued on such funds. Any per capita payments, headrights of the Osage tribe, income from mineral leases or other tribal business ventures are excluded, as long as they meet the distribution requirements as stated in this paragraph. ■ 4 Any interest or income derived from the funds after distribution is considered as any other income. The per capita exclusion applies per person rather than per family;
- (F) income up to \$2,000 per year received by individual Indians, which is derived from leases or other uses of individually-owned trust or restricted lands. The income exclusion applies to calendar years beginning January 1, 1994. Any remaining disbursements from the trust or restricted lands are considered as income; ■ 5
- (G) allowances, earnings, and payments made for participation in the Workforce Investment Act (WIA) to persons of all ages and student status. There are

numerous programs for which payments are excluded. These programs include Summer Youth, Job Corps, paid classroom training, and others. The exception to the income exclusion is income to persons for on-the-job training paid to participants 19 years of age and older. This income is treated as any other earned income;

(H) payments, allowances, or earnings to persons participating in programs under Title I of the National and Community Service Act, such as University Year for Action (UYA), Senior Companion Program, AmeriCorps Volunteers in Service to America (VISTA) and other AmeriCorps Programs, are not included as income for purposes of determining food benefit eligibility and benefit level;

(I) payments or allowances made under any federal law for the purpose of energy assistance, Low Income Home Energy Assistance Program (LIHEAP) and utility payments, and reimbursements made by the Department of Housing and Urban Development (HUD) and the Farmers Home Administration (FmHA);

(J) the amount of the mandatory salary reduction of military service personnel used to fund the G.I. Bill;

(K) all funds that are paid to persons under the Community Service Employment Program under Title V, P.L. 100-175. This program is authorized by the Older Americans Act. Each state and various organizations receive some Title V funds. These organizations include:

- (i) Experience Works;
- (ii) National Council on Aging;
- (iii) National Council of Senior Citizens;
- (iv) American Association of Retired Persons (AARP);
- (v) U. S. Forest Service;
- (vi) National Association for Spanish Speaking Elderly;
- (vii) National Urban League;
- (viii) National Council on Black Aging; and
- (ix) National Council on Indian Aging;

(L) Earned Income Tax Credit (EITC) payments received as part of a tax refund and also EITC advance payments received as part of a paycheck [P.L. 100-435];

(M) refunds of the state EITC as a result of filing a state income tax return;

(N) payments made from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);

(O) payments received under the Civil Liberties Act of 1988. These payments are made to persons of Japanese ancestry who were detained in internment camps during World War II;

(P) payments made from the Radiation Exposure Compensation Trust Fund as compensation for injuries or deaths resulting from the exposure to radiation from nuclear testing and uranium mining;

(Q) payments for the fulfillment of a Plan for Achieving Self-Support (PASS) under Title XVI of the Social Security Act;

(R) payments made to persons because of their status as victims of Nazi persecution;

(S) funds distributed by Federal Emergency Management Assistance (FEMA) due to a disaster or emergency to persons directly affected by the event. This exclusion also applies to comparable disaster assistance provided by states, local governments, and disaster assistance organizations. For payments to be excluded, the disaster or emergency must be declared by the President of the United States;

(T) monetary allowances as described in Section 1823(c) of Title 38 of the United States Code (U.S.C.) provided to certain persons who are children of Vietnam War veterans; ■ 6

(U) Disaster Unemployment Assistance paid to persons unemployed as a result of a major disaster; and

(V) benefits paid to 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 by the Filipino Veterans Equity Compensation Fund.

(6) Payments which are not considered income.

(A) The payments in (i) through (iii) are not considered as income.

(i) Monies withheld from any income source to repay a prior overpayment from that same source.

(ii) Monies voluntarily or involuntarily returned to repay a prior overpayment received from that same income source.

(iii) Child support payments received by Temporary Assistance for Needy Families (TANF) recipients that are sent to the Oklahoma Child Support Services (OCSS) to maintain TANF eligibility.

(B) Monies withheld or returned to repay overpayments in federal, state, or local means-tested assistance programs are counted when they are withheld or returned to repay overpayments resulting from intentional program violation as established by the agency administering the program.

(i) In the Supplemental Nutrition Assistance Program (SNAP), willful misrepresentation is considered as intentional program violation.

(ii) The State Supplemental Payment to the Aged, Blind, and Disabled and TANF programs define intentional program violation using the terms restitution, fraud, and willful misrepresentation.

(iii) The Social Security Administration (SSA) and Veterans Benefits Administration programs define intentional program violation as fraud. Supplemental Security Income (SSI) is a means-tested program within SSA.

(7) Reimbursements.

(A) Reimbursements for past or future expenses to the extent they do not exceed actual expenses and do not represent a gain or benefit to the household are not considered. ■ 7 Examples are reimbursements for:

(i) job or training related expenses such as travel, per diem, uniforms, and transportation to and from job or training site. However, if these expenses are not reimbursements, they are considered income;

(ii) out-of-pocket expenses incurred by volunteers in the course of their work;

(iii) medical or dependent care; and

(iv) services provided by Title XX of the Social Security Act.

(B) When a reimbursement, including a flat allowance, covers multiple expenses, each expense does not have to be separately identified as long as none of the reimbursement covers normal living expenses. The amount of the reimbursement that exceeds the actual incurred expenses is counted as income. A reimbursement is not considered to exceed actual expenses unless the provider or household indicates the amount is excessive.

(8) **Money received for third parties.** Money received and used for the care and maintenance of a third party beneficiary who is not a household member is not considered.

(A) If the intended beneficiaries of a single payment are both household and non-household members, any identifiable portion of the payment intended and used for the care and maintenance of the non-household member is excluded.

(B) If the non-household member's portion cannot be readily identified, as in TANF payments, the payment is evenly prorated among intended beneficiaries. The exclusion is applied to the non-household member's pro rata share or the amount actually used for the non-household member's care and maintenance, whichever is less.

(9) **Earnings of a child.** Earned income of a child who is head of his or her own household is counted. The earned income of an elementary or high school student 17 years of age or younger who is under parental control of an adult household member is excluded. This exclusion continues to apply during temporary interruptions in school attendance due to semester or vacation breaks, provided the child's enrollment will resume following the break. If the child's earnings cannot be differentiated from those of other household members, the total earnings are prorated equally among the working members, and the child's prorated share is excluded. ■ 8

(10) **Other types of excluded income.**

(A) **Loans.** All loans, including loans from private as well as commercial institutions, are excluded. Verification that the income is a loan is required.

(B) **Irregular Income.** Exclude any income in the certification period which is received too infrequently or irregularly to be reasonably anticipated that is \$30 or less per quarter.

(C) **Non-recurring lump sum payments.** Exclude money received in the form of non-recurring lump sum payments, including but not limited to: income tax refunds, rebates, credits, retroactive lump sums from SSA, SSI, public assistance, Railroad

Retirement pensions, or other payments, or retroactive lump sum insurance settlements.

(D) **Cost of self-employment.** Exclude the cost of producing self-employment income. ■ 9

(E) **Income of non-household members.** The income of non-household members who have not been disqualified or are not ineligible aliens is not considered available to the household. ■ 10

(F) **Charitable contributions.** Exclude cash contributions to a household from one or more private non-profit charitable organizations, not to exceed \$300 in a federal fiscal year quarter. For the purposes of this provision a quarter includes these specific months:

(i) October, November, December;

(ii) January, February, March;

(iii) April, May, June; and

(iv) July, August, September.

(G) **Department of Housing and Urban Development's (HUD) Family Self-sufficiency Program (FSS) escrow accounts.** Families participating in the HUD FSS program may withdraw money from their escrow accounts prior to completion of the program. This money is excluded as income. ■ 11

(H) **Individual Development Account (IDA).** Any funds deposited in an IDA operated under the Assets for Independence Act and the interest that accrues.

INSTRUCTIONS TO STAFF 340:50-7-22

Revised 6-1-11

1. Examples of vendor payments that are excluded as income are:

(1) a friend, employer, agency, church, relative, or former spouse making payments for household expenses such as rent or utilities directly to the landlord or utility company. If the payment is made from funds not owed to the household, it is a vendor payment and excluded as income;

(2) an employer paying a household's rent or house payment directly to the landlord or financial institution as compensation, in addition to paying regular wages. This is a vendor payment and excluded as income. If the employer provides a house to an employee, the value of the housing is not considered income;

(3) a household receiving court-ordered monthly child support payments in the amount of \$400. Later, \$200 is diverted by the non-custodial parent and paid directly to a creditor of the food benefit household. The entire \$400 is counted as unearned income to the household because the payment is taken from money that is owed to the household. Payments specified by a court order or other legally binding agreement to go directly to a third party rather than the household are excluded from income because they are not otherwise payable to the household. For example, a court awards support payments in the amount of \$400 per month and, in addition, orders \$200 paid directly to a bank for repayment of a loan. The \$400 is counted and the \$200 payment is not counted;

(4) payments by a government agency to a child care facility for the purpose of providing child care for a household member are considered vendor payments and excluded as income; and

(5) payments or allowances made by the Department of Housing and Urban Development (HUD) or by the Farmers Home Administration (FmHA) directly to mortgage holders, landlords, or utility providers are vendor payments and excluded as income.

2. Exempt student income includes:

(1) any money from Title IV of the Higher Education Act including federal or state work study;

(2) educational assistance funded through the Veterans Administration (VA) such as the Montgomery GI Bill;

(3) grants;

(4) scholarships;

(5) subsidized and unsubsidized Stafford loans;

- (6) federal PLUS loans;
 - (7) TRIO grants;
 - (8) Robert C. Byrd Honors Scholarship Program;
 - (9) Bureau of Indian Affairs (BIA) student assistance;
 - (10) money from the Carl D. Perkins Vocational Education Act; and
 - (11) Workforce Investment Act (WIA).
3. Student income that is not exempt includes:
- (1) money that is paid directly to the student and not sent through the bursar's account other than funds listed in Instruction to Staff #2 of this section;
 - (2) institutional work study; or
 - (3) money intended as an incentive for school attendance or grades rather than school expenses.
4. Per capita payments or income from tribal business ventures, such as some of the tribal gaming payments, do not always meet the distribution requirements to be exempt. When it is not known if the payments meet the distribution requirements of P.L. 98-64, the worker must contact the tribe to verify whether the payment meets the requirements.
5. (a) The client must provide proof of total disbursements received for the previous calendar year to determine how much, if any, of the income counts. If the client received more than \$2,000, the amount over \$2,000 is divided by 12 to determine monthly countable income. For example, when total disbursements equaled \$2,100, the calculation is \$2,100 minus \$2,000 equals \$100. The \$100 is then divided by 12 to determine monthly countable income.
- (b) When other household members also receive disbursements, the first \$2000 is disregarded for each household member before any income is counted.

- 6. This includes income paid to children of Vietnam War veterans for any disability relating from spina bifida suffered by the child.**
- 7. Kinship Startup Stipends are considered a reimbursement for food benefit purposes and are exempt.**
- 8. (a) For purposes of this provision, an elementary or high school student includes someone who attends classes to obtain a General Educational Development (GED), when these classes are recognized, operated, or supervised by the student's state or local school district.**

(b) The earned income of the student must be counted beginning the month following the month the student reaches 18 years of age. This applies regardless of marital status as long as the student continues to live with a parent.

(c) Workforce Investment Act (WIA) [Section 204(b)(1)(c)] on-the-job training of a child who has not had his or her 19th birthday is exempt as long as the child is under the parental control of another household member regardless of student status.
- 9. See OAC 340:50-7-30(2).**
- 10. See OAC 340:50-5-5 and 340:50-5-6.**
- 11. Exempt income from the HUD Family Self Sufficiency (FSS) programs includes:**
 - (1) Housing Choice Voucher Family Self Sufficiency Program; and**
 - (2) Resident Opportunities and Self Sufficiency Program (ROSS).**

340:50-7-29. Income inclusionsRevised 6-1-11

(a) Sources of income considered. The worker considers all household income, unless specifically excluded at OAC 340:50-7-22, in determining monthly gross income. Income is classified as earned or unearned.

(1) When one or more household members are absent from the home, before deciding whether to consider the absent household member's income, the worker must determine if the person returns to the home for part of the month.

(A) When the household member does not return for part of the month, per OAC 340:50-5-2, the worker does not include the absent member in the benefit amount and only counts the portion of his or her income that he or she makes available to the rest of the household. ■ 1

(B) When the household member returns for part of each month, the worker includes him or her in the benefit amount and counts all of his or her income unless excluded at OAC 340:50-7-22.

(2) Per OAC 340:50-5-5, the household has the option of including a child receiving a foster payment, that includes a payment for kinship care, in the food benefit. When the household chooses not to include the child receiving a foster care payment in the food benefit, the worker does not count the child's income, including the foster payment.

(3) When the household adopts a child previously in the custody of the Oklahoma Department of Human Services (OKDHS) and receives an adoption subsidy payment for the child, the worker includes the child in the food benefit and counts the child's income, including the adoption subsidy payment. ■ 2

(b) Earned income. Earned income is income which a household receives in the form of wages, commission, self-employment, or training allowances and for which a person puts forth physical labor. Temporary disability insurance payments and temporary worker's compensation payments are considered earned income if payments are employer funded and the person remains employed. The types of earnings listed in (1) through (4) of this subsection, including money from the sale of whole blood or blood plasma, are considered earned income.

(1) Wages. The worker counts as earned income all wages and salaries for services performed as an employee, including sick pay paid by the employer to an employee who plans to return to work when recovered. ■ 3 This includes wages

garnisheed or diverted and paid to a third party for a household's expenses. ■ 4
Countable wages for military personnel include Variable Housing Allowance (VHA),
Basic Allowance for Quarters (BAQ), and Basic Allowance for Housing (BAH).

(2) **Self-employment.** The worker determines the household's total gross income from a self-employment enterprise per procedures described at OAC 340:50-7-30.

(3) **Title I payments of the Domestic Volunteer Services Act.** Countable earned income includes payments paid to a household member under Title I of the Domestic Volunteer Services Act of 1973 as amended [Public Law (P.L.) 93-113] unless excluded per OAC 340:50-7-22.

(4) **On-the-job training.** The worker counts income earned in on-the-job training positions as earned income. This includes on-the-job training provided under Section 204(b)(1)(c) or Section 264(c)(1)(A) of the Workforce Investment Act for persons 19 years of age or older. ■ 5

(c) **Unearned income.** In general, unearned income is that income which a household receives and is not in the form of wages, self-employment, or training allowances and for which a person does not put forth physical labor. The types of income listed in (1) through (5) of this subsection, while not all inclusive, are considered unearned.

(1) **Assistance payments.** The worker counts payments from a federally aided public assistance program, such as Supplemental Security Income (SSI), Temporary Assistance for Needy Families (TANF), or assistance programs based on need, such as State Supplemental Payments as unearned income.

(A) A household's food benefit amount does not increase when the benefit received from another program is reduced, suspended, or terminated because of a penalty imposed for an intentional failure to comply with a requirement of that program. The other program must be a means-tested, federal, state, or local welfare or public assistance program which is governed by welfare or public assistance laws or regulations and which distributes public funds, such as, SSI and TANF. OAC 340:10-2-2 explains the TANF penalty considered for SNAP. ■ 6

(i) When a worker is not able to obtain the necessary information and cooperation from another federal, state, or local means-tested welfare, or public assistance program to comply with the provision in (A) of this paragraph, Oklahoma Department of Human Services (OKDHS) is not held responsible. The worker must make a good faith effort to get the needed information and record the details and results of this effort in the case file.

- (ii) The worker does not reduce, suspend, or terminate the household's current food benefit amount when the benefits under another assistance program are decreased.
- (iii) When the worker adds eligible members to the food benefit, the benefit must be adjusted regardless of whether the household is prohibited from receiving benefits for the additional member under another federal, state, or local welfare or public assistance means-tested program.
- (iv) Changes in the household circumstances which are not related to the penalty imposed by another federal, state, or local welfare or public means-tested assistance program are not affected by the provision in (A) of this paragraph.
- (v) The application of the provision in (A) of this paragraph applies for the duration of the imposed penalty.
- (B) The provision in (A) of this paragraph does not apply to persons or households subject to disqualification from SNAP for noncompliance with a comparable work requirement under Title IV of the Social Security Act or an unemployment compensation work requirement.
- (2) **Pension and Social Security.** Annuities, pensions, retirement, veterans' or disability benefits, workers' or unemployment compensation, survivors' or Social Security benefits, and strike benefits are unearned income. The worker considers disability payments as:
- (A) unearned income when the person is no longer considered an employee of the company and an agency outside of the company pays the disability benefits; and
- (B) earned income when the person is still considered an employee of the company and the company pays the disability benefits.
- (3) **Support and alimony.** The worker counts as unearned income support and alimony payments paid directly to the household from non-household members. ■ 7 The worker also counts as unearned income, money deducted or diverted to a third party to pay a household expense when the court order directs that the payment be made to the household. The worker does not count as income money the court order states must be paid to a third party. ■ 8
- (4) **Grants, dividends, royalty, and interest payments.** Payments from government sponsored programs, such as Agricultural Stabilization and

Conservation Service Programs, grants, dividends, royalties, interest, and all other direct money payments from any source which can be construed to be a gain or profit are considered as income. The worker treats income from these sources as unearned income. The household must provide proof of income from these sources so income can be averaged to determine monthly countable income.

(5) Monies which are withdrawn or dividends which are or could be received by a household from trust funds. Dividends which the household has the option of either receiving as income or reinvesting in the trust are considered as income in the month they become available to the household.

(d) Income of disqualified or ineligible household members. OAC 340:50-5-10.1 gives a complete list of reasons for disqualification of household members. Income of disqualified persons and unqualified aliens is counted as indicated in paragraphs (1) and (2) of this subsection.

(1) Income of a person disqualified for failure to comply with food benefit Employment and Training (E&T) Program requirements, a fleeing felon disqualification, or willful misrepresentation or fraud. All income of a person disqualified for failure to comply with food benefit E&T requirements, a fleeing felon disqualification, or willful misrepresentation or fraud, is counted in its entirety as available to the remaining household members. The worker does not prorate utility, medical, dependent care, and excess shelter deductions.

(2) Income of persons disqualified for reasons other than willful misrepresentation, a fleeing felon disqualification, or failure to comply with E&T requirements. The worker prorates the income of persons disqualified for reasons other than those stated in paragraph (1) of this subsection among all household members.

(A) A pro rata share of the income of a disqualified person is considered as income available to the remaining members. The worker calculates the pro rata share by first subtracting the allowable exclusions from the disqualified member's income and dividing the income evenly among the household members, including the disqualified member.

(B) The worker counts all but the disqualified member's share as income available to the remaining household members. The earned income deduction from OKDHS Appendix C-3, Maximum Food Benefit Allotments and Standards for Income and Deductions, applies to the prorated income attributed to the household if it was earned by the disqualified member.

(C) The portion of the household's allowable shelter and dependent care expenses that are either paid by or billed to the disqualified member is divided evenly among the household members, including the disqualified member. When the household is using the utility standard, it too is evenly prorated. All but the disqualified member's share is considered as a deductible shelter expense for the remaining household members.

(3) **Determining eligibility and benefit level.** The worker does not consider the needs of a disqualified or ineligible household member when determining the household's size for purposes of assigning a benefit level to the household or comparing the household's monthly income with the income eligibility standard.

INSTRUCTIONS TO STAFF 340:50-7-29

Revised 6-1-11

1. (a) Examples of household members who do not return for part of the month include persons away from home due to military deployment or employment in another state.

(b) When the absent member makes all or part of his or her income available to the rest of the household, the worker counts it as a contribution.

(c) When the absent member deposits his or her wages in a joint bank account, the worker only counts the portion of the wages the absent member states is for the household's use.

2. When a member of the household becomes the guardian of a child and receives a guardianship payment from the Oklahoma Department of Human Services (OKDHS), the payment is considered as income and the child must be included in the food benefit.

3. Only the excess benefit allowance, after all insurance costs are deducted, is considered as income for persons whose employers pay a benefit allowance to purchase insurance. Examples of insurance include life, health, dental, vision, accidental death and dismemberment, and insurance for dependents.

4. Examples of wages garnisheed or diverted and paid to a third party for a household's expenses include wages withheld to pay:

(1) child support;

- (2) rent, even if the employer is also the landlord; or
- (3) the employer for uniforms or tools required to be purchased for use on the job.
5. This provision does not apply to household members under 19 years of age who are under the parental control of another adult household member, regardless of school attendance. For the purpose of this provision, earnings include monies paid under the Workforce Investment Act and monies paid by the employer.
6. See OAC 340:10-2-2 to determine when Temporary Assistance for Needy Families (TANF) penalty income can be removed.
7. The worker counts child support as income to the parent, not the child. The worker counts cash medical payments as income when the child does not receive a SoonerCare (Medicaid) benefit. The worker verifies if the household receives cash medical by viewing the KI1 screen.
- (1) The worker documents child support in Family Assistance/Client Services (FACS) case notes and codes it as income in FACS on the Income tab for the child, even though it is considered income to the parent, if the child is included in the food benefits unless:
- (A) child support is paid to a parent whose child is no longer in the food benefit; or
- (B) the parent is an ineligible or disqualified household member.
- (2) In the circumstances listed in (A) or (B) of this Instruction, the worker codes the child support on the Income tab for the adult as a contribution.
8. (a) This is an example of when a payment to a third party counts as income. The household receives \$400 in court-ordered monthly child support payments. At review the household reports that the non-custodial parent now pays \$200 of the \$400 directly to a creditor of the food benefit household. In this instance the worker continues to count the entire \$400 as unearned income because the payment is taken from money that is owed to the household.
- (b) This is an example of when a payment to a third party does not count as income. The household receives \$400 in court-ordered child support. In

addition, the court order directs the non-custodial parent to pay \$200 to a bank for repayment of a loan. The worker does not count the additional \$200 as income because the court order did not direct this payment be made to the household.

340:50-7-30. Self-employed householdsRevised 6-1-11

Households whose income is derived either wholly or in part from a self-employment enterprise are treated in accordance with the procedures listed in paragraphs (1) through (10). ■ 1

(1) **Capital gains.** The proceeds from the sale of capital goods or equipment is income for program purposes and is calculated in the same manner as a capital gain for federal income tax purposes. Even though a percentage of the proceeds from the sale of capital goods or equipment is taxed for federal income tax purposes, the worker counts the full amount of capital gain as income.

(2) **Profit sharing.** Households who operate S corporations, general or limited partnerships, or limited liability companies may receive profit sharing that is reported on the household's personal income tax return. When a household member:

(A) actively participates in the operations, the income from profit sharing is considered part of the household's self-employed earned income; or

(B) does not actively participate in the operations, the income from profit sharing is considered part of the household's unearned income.

(3) **Self-employed farm income.** To be considered a self-employed farmer, the farmer must receive or anticipate receiving annual gross proceeds of \$1,000 or more from the farming enterprise.

(A) Farming is defined as cultivating or operating a farm for profit either as owner or tenant.

(B) A farm includes stock, dairy, poultry, fish, fruit, and truck farms, and plantations, ranches, ranges, and orchards.

(i) A fish farm is an area where fish are grown or raised and where they are artificially fed, protected, and cared for, and does not include an area where they are only caught or harvested.

(ii) A plant nursery is a farm for purposes of this definition.

(C) A loss of income for a self-employed farmer cannot be used to offset income from other household income. When a self-employed farmer reports a loss

instead of a profit on the business, the worker does not deduct the loss from other household income.

(4) **Monthly self-employment income.** Self-employment income received on a monthly basis but which represents a household's annual support is normally averaged over a 12-month period. If the averaged amount does not accurately reflect the household's actual monthly circumstances because the household has experienced a substantial increase or decrease in business, the worker calculates the self-employment income based on anticipated earnings.

(5) **Seasonal self-employment income.** Self-employment income intended to meet the household's needs for only part of the year is averaged over the period of time it is intended to cover. For example, the income of self-employed vendors who work only in the summer and supplement their income from other sources during the balance of the year is averaged over the summer months rather than a 12-month period.

(6) **Annualized self-employment income.** Self-employment income which represents a household's annual support must be annualized over a 12-month period, even if the income is received in a shorter period of time. For example, self-employment income received by crop farmers must be averaged over a 12-month period if the income represents the farmer's annual support.

(A) If the averaged annualized amount does not accurately reflect the household's actual circumstances because the household has experienced substantial increase or decrease in business, the worker calculates the self-employment income on anticipated earnings.

(B) The worker does not calculate self-employment income on the basis of prior earnings such as income tax returns when an increase or decrease of business has occurred.

(i) If the household's self-employment enterprise has been in existence for less than a year, the income from that self-employment enterprise must be averaged over the period of time the business has been in operation and the monthly amount projected for the coming year.

(ii) If the business has been in operation for a short time and there is insufficient data to make a reasonable projection, self-employment income is recomputed at each new certification until a full year's information is available. ■ 2

(7) **Anticipated income.** When a household who would normally have the self-employment income annualized experiences a substantial increase or decrease in business, the worker calculates the self-employment income based on anticipated earnings.

(A) For those households whose self-employment income is calculated on an anticipated basis, the worker adds any capital gains the household anticipates it will receive in the next 12 months, starting with the date the application is filed, and divides this amount by 12. This amount is used in successive certification periods during the next 12 months except that a new average monthly amount must be calculated over this 12-month period if the anticipated amount of capital gain changes.

(B) The worker adds the anticipated monthly amount of capital gains to the anticipated monthly self-employment income, and subtracts the cost of producing the self-employment income.

(8) **Determining net monthly self-employment income.** When the household has business expenses associated with its self-employment income, the business expenses must be deducted before determining whether the household meets the maximum gross income standards shown on Oklahoma Department of Human Services (OKDHS) Appendix C-3, Maximum Food Benefit Allotments and Standards for Income and Deductions. When the household does not have business expenses, the gross self-employment income is used.

(A) When the household has filed an income tax return on its self-employment income for the most recent year, the worker uses the net self-employment income shown on the income tax return and divides the net self-employment income by the number of months to be averaged. ■ 3

(B) When the household did not file an income tax return on its self-employment income for the most recent year, the worker uses (i) through (iii) to determine the net monthly self-employment income.

(i) The worker computes gross self-employment income, including capital gains, using the client's self-employment business records.

(ii) If the client declares incurred business expenses, the worker subtracts 50% of the gross self-employment income as business expenses. If the household did not incur business expenses, a business expense deduction is not given.

(iii) The worker then divides the net self-employment income by the number of months to be averaged.

(C) The worker adds monthly net self-employment income to all other earned income received by the household. When the household reports a loss instead of a profit on the business, the worker does not deduct the loss from other household income.

(i) The worker adds the total monthly earned income less the earned income deduction according to OKDHS Appendix C-3 to all other monthly income received by the household.

(ii) The worker subtracts the standard deduction, dependent care, and shelter costs as for any other household per OAC 340:50-7-31 to determine the monthly net income of the household.

(9) Household with income from boarders. A household that operates a commercial boarding house may be considered a food benefit household and self-employed as shown in paragraph (8) of this subsection. A household with boarders or roomers that is not a commercial boarding house may receive food benefits as shown in subparagraphs (A) through (C) of this paragraph.

(A) The worker excludes a person paying a reasonable amount for room and board from the household and counts payments from the boarder as self-employment income when determining the household's eligibility and benefit level.

(i) The income from a boarder includes all direct payments to the household for room and meals, including contributions to the household for part of the household shelter expense.

(ii) The worker does not count expenses paid directly by a boarder to someone outside the household as income to the household.

(B) The worker excludes 50% of the boarder payment as the cost of doing business.

(C) The worker includes the net income from self-employment with other earned income minus the earned income deduction.

(i) The worker computes the shelter cost incurred by the household, even if the boarder contributes part of the shelter expense, to determine if the

household qualifies for a shelter deduction.

(ii) The shelter and utility cost must not include any expense billed to and directly paid by the boarder to a third party.

(10) **Income from rental property.** The worker considers income received from rental property as self-employment income.

(A) The worker treats rental income as earned income if a member of the household actively manages the property an average of at least 20 hours per week.

(B) When a household member does not actively manage the property at least 20 hours each week, the worker considers the income as unearned. The person is eligible for business expenses described at (8) of this Section.

INSTRUCTIONS TO STAFF 340:50-7-30

Revised 6-1-10

1. **A person is considered self-employed if the employer does not withhold income taxes or Federal Insurance Contributions Act (FICA), even if required by law to do so.**
2. **To average the income and expenses for a self-employment enterprise that has not been in business for a full year, the worker divides the total income by the number of months in business. For example, a self-employment business has been in operation from February 18 to the application month of November. The income is averaged for 9 months, February through October. It is correct to count the first month of business through the last complete month when computing an annualized figure for a new business.**
3. **Self-employment income tax return forms include but are not limited to:**
 - (1) Form 1040 with Schedule C for sole proprietors and some limited liability companies;
 - (2) Form 1065 with Schedule 8865 K-1 for partnerships;
 - (3) Form 1120-S with Schedule K-1 for S corporations; or
 - (4) Form 1040 with Schedule F for farmers.

340:50-7-31. DeductionsRevised 6-1-11

(a) Deductible expenses from income include only certain costs of dependent care, shelter, the earned income allowance, a standard deduction, certain medical costs for elderly or disabled household members, and legally binding child support payments as described in OAC 340:50-7.

(1) The portion of the household's allowable shelter, utility, and dependent care expenses, paid by or billed to a disqualified household member, per OAC 340:50-7-29(c)(2), is divided evenly among the household members, including the disqualified member. All except the disqualified member's share is considered a deductible shelter expense for the remaining household members.

(2) Business expenses for the self-employed are handled per OAC 340:50-7-30.

(b) Deductions from income are allowed for the expenses listed in paragraphs (1) through (6) of this subsection.

(1) **Standard deduction.** The appropriate standard deduction as shown in Oklahoma Department of Human Services (OKDHS) Appendix C-3, Maximum Food Benefits Allotments and Standards for Income and Deductions, is deducted from the household's income.

(2) **Earned income deduction.** The appropriate amount of earned income deduction from OKDHS Appendix C-3 is deducted from the gross earned income to cover the cost of state and local income taxes, pensions, union dues, and work related expenses. The earned income deduction is not allowed on any portion of income that is attributable to public assistance. No other deduction is allowed from the gross earned income.

(3) **Medical expense deduction.** Medical expenses exceeding \$35 per month incurred by elderly or disabled household members, per OAC 340:50-5-4, are deductible. The \$35 is subtracted from medical expenses once per household even though the household has more than one elderly or disabled member. ■ 1 When the household does not know the amount of on-going medical expenses anticipated monthly during the certification period, the anticipated expense amount is determined by averaging at least the past two month's expenses. ■ 2

(A) Households report and verify medical expenses at certification and recertification. Households are not required to report changes in medical expenses during the certification period. ■ 3

(i) When a household voluntarily reports a change in medical expenses that will reduce the food benefit allotment, no verification is needed. However, the change does require notice of adverse action.

(ii) When a household voluntarily reports a change in medical expenses that will increase the food benefit allotment, the change must be verified before the change is made.

(iii) If OKDHS finds out about a change from a source other than the household, the change is acted on when verified upon receipt. The household is not contacted for additional information. When the change requires household contact for additional information or verification, a change is not made.

(B) If a household reports an anticipated medical expense at the time of certification, but is unable to provide the verification at that time, the household is told the expense will be allowed when the verification is provided during the certification period. Upon verification, a household may elect a one-time medical deduction or average the expense over the remaining months of the certification period. ■ 4 Allowable costs are:

(i) medical and dental care, including psychotherapy and rehabilitation services provided by a licensed practitioner or other qualified health professional authorized by state law; ■ 5

(ii) hospitalization or outpatient treatment, nursing care, and nursing home care, including payments by the household for a person who was a household member immediately prior to entering a hospital or nursing home provided by a facility recognized by the state; ■ 6

(iii) prescription drugs and other over-the-counter medication, including insulin, when approved by a licensed practitioner or other qualified health professional authorized by state law. Costs of medical supplies, sick-room equipment, including rentals, or other prescribed equipment are also included; ■ 7

(iv) health, dental, and hospitalization policy premiums; ■ 8

- (v) Medicare premiums, and any cost-sharing or spend-down expenses incurred by Medicare or SoonerCare (Medicaid) recipients;
 - (vi) dentures, hearing aids, and prosthetics; ■ 9
 - (vii) eye glasses prescribed by a licensed practitioner, and securing and maintaining a seeing eye or hearing dog, including the cost of dog food and veterinarian bills; ■ 10
 - (viii) reasonable cost of transportation and lodging to obtain medical treatment or services; and ■ 11
 - (ix) maintaining an attendant, homemaker, home health aide, child care services, or housekeeper due to age, infirmity, or illness. If this expense also qualifies as a dependent care expense as described in paragraph (4) of this subsection, it is considered as a medical expense rather than a dependent care expense. Additionally, if the household furnishes a majority of the caretaker's meals, an amount equal to one allotment is added to the medical expense for meals provided. The allotment used is the amount in effect at certification.
- (C) Costs not allowable as medical expense deductions include:
- (i) costs associated with special diets;
 - (ii) premiums for health and accident insurance policies such as those payable in lump sum settlements for death or dismemberment;
 - (iii) premiums for income maintenance policies such as those that continue mortgage or loan payments while the beneficiary is disabled; or
 - (iv) items that can be purchased with food benefits such as dietary supplements.

(4) **Dependent care.** Dependent care is payment for the actual cost for the care of a child or other dependent when necessary for a household member to seek, accept, or continue employment or to attend training or education preparatory to employment.

(A) This deduction is applicable regardless of whether the household member is subject to the Supplemental Nutrition Assistance Program Employment and Training requirements.

(B) If this expense also qualifies as a medical expense, it is considered as a medical expense rather than a dependent care expense.

(C) There is no maximum dependent care deduction. The total reported by the client is an allowable expense as long as it meets the criteria in this Section.

(D) Dependent care is only verified when the expenses claimed actually result in a deduction and other information available to the worker is inconsistent with the household's claim that it incurs a dependent care expense

(5) **Legally-binding child support.** A deduction is allowed for verified legally-binding child support payments paid by a household member to or for a non-household member, including payments made to a third party on behalf of the non-household member. ■ 12

(6) **Shelter costs.** A household is allowed a shelter deduction when the monthly shelter cost exceeds 50% of the household's income after all other deductions are allowed. The shelter deduction cannot exceed the maximum amount as shown in OKDHS Appendix C-3, unless the household has an elderly or disabled member. Households with an elderly or disabled member receive an excess shelter deduction for the monthly cost exceeding 50% of the household's income after the deductions listed in paragraphs (1) through (6) of this subsection are allowed. All homeless households who incur or expect to incur a shelter cost during the month are entitled to use the estimated homeless shelter deduction to determine food benefit eligibility and benefit level. This estimate covers shelter costs as described in this paragraph. If a homeless household is living in a vehicle for which they are making payments, the monthly payment is allowed as a shelter cost. If the household's actual verified shelter cost exceeds the estimated amount, the larger amount is used. Shelter costs only include:

(A) continuing charges for the shelter occupied by the household, including rent, mortgage, or other continuing charges leading to the ownership of the shelter, such as loan repayments for the purchase of a mobile home, including interest on such payments. The charge for renting or buying the land on which a mobile home is located is also a shelter cost; ■ 13

(B) property taxes, state and local assessments, and insurance on the structure except for the separate costs for insuring furniture or personal belongings. ■ 14

(i) The cost of vehicle registration or tag for a mobile or motor home is not a shelter expense.

- (ii) A mobile home is taxed as part of the property tax when the land is owned or being purchased, and is a shelter expense.
- (iii) Unregistered mobile homes on rented land are taxed as personal property. The personal property tax for the mobile home is a shelter expense. No other personal property tax is a shelter expense;
- (C) charges for heating, cooling, or cooking fuel; electricity; water, sewage, garbage, and trash collection fees; and the basic service fee and tax for one telephone. A household incurring an allowable utility expense receives the total amount of the utility standard specified in OKDHS Appendix C-3 for one of the mandatory utility standards in (i) through (iii) of this subparagraph. ■ 15
- (i) The standard utility allowance (SUA) is a single standard based on annual averages that include costs for heating or cooling; and cooking fuel, electricity, basic telephone service, water, sewage, and garbage. ■ 16
- (I) The SUA is used as long as the household is billed for heating or cooling during the year. Households billed less often than monthly for heating costs such as butane or propane may continue to use the utility standard between billing months. If the household reports they no longer incur a heating or cooling expense, but still have a utility expense, the standard must be changed to the basic utility allowance (BUA) or telephone standard. ■ 17
- (II) A household with utility expenses that are reimbursed or paid by an excluded payment such as a vendor payment, Housing and Urban Development (HUD), or Farmers Home Administration (FmHA) payment may use the SUA when heating or cooling costs exceed the excluded payment amount.
- (ii) The BUA includes utility charges the household incurs other than for heating and/or cooling. ■ 18
- (iii) The telephone standard is used when the household is not entitled to use the SUA or BUA, but has a telephone cost; and ■ 19
- (D) the shelter costs for the home even when not actually occupied by the household, because of employment or training away from home, illness, or abandonment of the home due to disaster or casualty loss. ■ 20
- (i) For the cost of a vacated home to be included in shelter costs the:

(I) household must intend to return to the home;

(II) current occupants of the home, if any, must not be claiming the shelter costs during the absence of the household; and

(III) home must not be rented or leased during the absence of the household.

(ii) If a deductible expense must be verified and obtaining the verification may delay the household's certification, the worker advises the household that the household's eligibility and benefit level may be determined without providing a deduction for the claimed but unverified expense.

(iii) The appropriate utility standard is used if the household is entitled to claim it.

(c) The worker calculates a household's expenses based on the expenses the household expects to be billed for during the certification period. The worker anticipates expenses based on the most recent month's bills unless the household is reasonably certain a change will occur.

(d) Households may elect to have an expense that:

(1) is billed monthly and fluctuates, averaged;

(2) is billed less often than monthly, averaged forward over the interval between scheduled billings; or

(3) if there is no scheduled billing interval, averaged forward over the period the expense is intended to cover.

(e) A deduction is allowed in the month the expense is billed or otherwise becomes due, regardless of when the household intends to pay the expense.

(1) For example, rent due each month is included in the household's shelter costs, even if the household has not yet paid the expense.

(2) Amounts carried forward from past billing periods are not deductible even if included in the most recent billing and actually paid by the household.

(3) A particular expense may be deducted only once.

(f) The portion of an expense paid by an excluded reimbursement or vendor payment is not deductible. The amount left after deducting the excluded payment is deductible and includes HUD and FmHA rent and utility payments. Expenses are only deductible if the service is provided by someone outside the household and the household makes a monetary payment for the service. ■ 21

INSTRUCTIONS TO STAFF 340:50-7-31

Revised 6-1-11

- 1. The worker enters the total verified monthly allowable medical expenses in the Family Assistance/Client Services (FACS) Expense tab "Elderly/Disabled Medical Expense." The computer subtracts the \$35.**
- 2. Ongoing monthly medical expenses may be anticipated by averaging at least the past two full calendar months' expenses. Expenses incurred each month may include prescription medication, monthly doctors' visits, monthly blood tests, and insurance premiums.**
 - (1) The household may choose to average regularly recurring expenses, such as medication purchased every other month or insurance premiums paid quarterly. For example: The client pays a premium for hospital insurance once every six months. The total premium of \$192 may be divided by six, making the monthly average expense \$32.**
 - (2) The household also has the option to have the expense deducted during the month incurred or when the bill is due.**
- 3. When the household reports changes in medical expenses of \$25 or less between certification periods, the worker makes the change without requiring verification unless the information provided is incomplete, inaccurate, inconsistent, or outdated.**
- 4. (a) One-time medical expenses are those the household does not expect to recur. Some examples include hospital costs, purchase of prescription glasses, or dental work expenses. The worker explains to the client the options in (1) through (3) of this Instruction. The client may choose the option most beneficial to his or her household. The options are:**
 - (1) allow the entire expense the month incurred or when the bill becomes due;**

(2) average the expense over the remaining months of the current certification period; or

(3) allow the expense over the scheduled length of a payment plan.

(b) One-time expenses are allowed at the time they are reported to the worker, only if the bill is current and has not become past due. When a portion of the medical cost is paid by vendor payment or reimbursed by insurance, the deduction is not determined until the vendor payment or reimbursement is verified.

(c) The worker must verify the amount of any deductible medical expenses. Verification of other factors, such as allowing an expense or the eligibility of the person incurring the cost, is required only if questionable.

- 5.** These charges may also include, but are not limited to, office calls, hospital visits, house calls, special treatments, and chiropractic services.
- 6.** Such costs may include, but are not limited to, room and board charges, drugs and medical supplies, therapy, surgery, and tests.
- 7.** Over-the-counter medication must be a recommended part of the prescribed treatment plan, such as aspirin for arthritics. Medical supplies include, but are not limited to:
 - (1) needles and syringes used for insulin injection or other prescription medication;
 - (2) bandages and gauze for a surgical patient; and
 - (3) the cost of crutches, wheelchairs, hospital beds, colostomy bags, and portable oxygen.
- 8.** Some health insurance policies cover household members who are not entitled to a medical deduction as well as those who are. When the portion of the premium paid for elderly or disabled members cannot be determined, the premium must be prorated among all members included on the policy. The prorated amount for one member must be multiplied by the number of elderly or disabled members. The resulting amount is considered a medical cost.

- 9.** Other corrective devices are corrective braces worn on the limbs and braces worn on the teeth for orthodontic purposes. The cost of hearing aid batteries are considered a medical expense.
- 10.** Contact lenses prescribed by an ophthalmologist or optometrist, are considered a medical expense.
- 11.** (a) Transportation costs are based upon the type of transportation used by the elderly or disabled member. If his or her own vehicle is used, the state's current mileage reimbursement rate is allowed. If the household member uses public transportation, the actual cost of the transportation is allowed. If the member pays a non-household member for transportation, the amount charged by the person is allowed. Verification must be obtained and adequately documented in the case record.
- (b) Lodging costs are allowed if the elderly or disabled member is required to spend the night away from home to receive medical services. Verification that medical treatment did occur, and receipts verifying the lodging expense must be obtained. The cost of lodging does not include meals or other incidentals.
- 12.** (a) For purposes of this policy, child support is any court-ordered money designated to be paid for the support of a child. This may include, but is not limited to:
- (1) child support;
 - (2) child support arrearages;
 - (3) medical insurance or other health care premiums;
 - (4) child care obligations; or
 - (5) other obligations specified in individual court or administrative orders.
- (b) Verification of the court-ordered amount is obtained along with verification of the actual support payments made each month.
- (c) Child support also means money owed to a state for services provided for a child, including, but not limited to, Temporary Assistance for Needy Families, SoonerCare (Medicaid) benefits, and foster care.

13. When shelter expenses are paid in advance, the monthly shelter cost is allowed as if the payments were made monthly. Down payments are not allowed as deductions as they are not continuing charges. Expenses are allowed if they are owed to someone outside the household and the household makes a monetary payment. For example, if someone outside the household pays shelter expenses to the vendor, they are not allowable. Exception: If the payment is considered a loan, the expense is allowed as a shelter deduction and the payment is excluded as income.

14. These types of shelter expenses, which may be billed less often than monthly, may be averaged over the interval between scheduled billings. For example, property taxes billed and paid yearly may be averaged over a 12 month period.

15. The appropriate utility allowance is prorated only when there is an ineligible or disqualified household member, or an ineligible student who is billed for or paying the utility costs.

16. To use the standard utility allowance (SUA) to calculate shelter costs, the utility charges for heating or cooling costs must be separate from the household rent or mortgage costs and actually incurred by the household.

(1) Cooling costs are limited to operation of room air conditioners and central air conditioning systems.

(2) Heating costs may be represented by a furnace, wood stove if wood is purchased, fireplace, or electrical or kerosene space heater, if the space heater is used as the primary source of heat.

17.(a) The worker must assess the household's eligibility for the SUA at each application, reapplication, and when the household moves.

(b) Shared utility costs examples among more than one household are given in (1) through (4) of this Instruction.

(1) When more than one household shares the same living quarters and shares one or more of the utility costs that are billed separately from rent or mortgage payments, (A) or (B) of this Instruction applies.

(A) If one household's name is on the utility bill and it alone pays the bill, allow the full appropriate utility standard for that household.

- (B) If multiple households, whether receiving food benefits or not, are living in the same residence and sharing one or more of the utility costs billed separately from rent or mortgage payments, entitles each household to the full appropriate standard amount, regardless of whose name is on the bill.
- (2) When two or more families share a meter but have separate living quarters and the utility bill is addressed to only one family, accept the unaddressed household's statement of liability for the expense unless it is questionable.
- (3) Households residing in low income housing or other rental units with utilities included in the rent, but are liable for excess utilities are entitled to the basic utility allowance (BUA).
- (4) If a rental household is billed monthly by the landlord for actual usage of heating or cooling expense as determined through individual metering or a utility company bill, the SUA is used. If the household is billed by the landlord for actual usage of utilities other than heating or cooling, the BUA is used.
- 18.** Households who do not incur heating or cooling costs, but are billed separately for utilities such as cooking fuel, electricity not associated with cooling, water, sewage, garbage collection, and telephone are entitled to the BUA.
- 19.** If the household's only telephone is a cellular phone, the telephone standard is given.
- 20.** Households maintaining two residences are allowed deductions for both residences if they meet this criteria.
- 21.** For example, the portion of rent or utility covered by excluded vendor payments or medical costs reimbursed by insurance is not calculated as part of the household's shelter cost or medical expenses. When only a portion of the medical cost is paid for by vendor payment or reimbursed by insurance, the amount not covered by the vendor payment or reimbursement is deductible at the time the amount of the vendor payment or reimbursement is verified.

340:50-9-1. Determining the food benefit allotmentRevised 6-1-11**(a) Cases with unverified deductible expenses.**

(1) **Food benefits without deductions.** If a deductible expense that must be verified per OAC 340:50-7-31 cannot be verified before the 30-day processing standard for applications expires, the worker determines the household's benefit level without giving a deduction for the claimed but unverified expense. If the household:

(A) is eligible without allowing the expense, an allotment that does not reflect deduction of the expense is provided within 30 calendar days after the application is filed; or

(B) chooses to claim expenses for an unoccupied home, the worker verifies the household's utility expenses for the unoccupied home and uses the appropriate utility standard.

(2) **Benefits delayed.** If a deductible expense cannot be verified before the 30-day processing standard for applications expires and the household is ineligible unless the expense is allowed, the household application is held pending or denied.

(b) **Determining household eligibility.** In calculating net monthly income, cents are used in determining each source of each person's monthly income and the household's monthly dependent care, shelter, legally binding child support payments, or medical expense. When the monthly amount of each person's source of income or each of the household's expenses is established, and at all other steps of the net income computation, cents are rounded to the nearest dollar, 1 cent through 49 cents is rounded down and 50 cents through 99 cents is rounded up. ■ 1 Due to changes in household composition or circumstances, households certified under gross income standards may become subject to net income standards during the certification period or vice versa. The worker is required to change one income standard to the other when any change is made to adjust the household's eligibility, benefit level, or certification period, or at recertification, whichever is earlier.

(1) **Households without elderly or disabled members.** If the household does not have an elderly or disabled member, the household's total gross monthly income and household size are the first basis for determining eligibility. The household is not eligible if the total gross income exceeds the Maximum Gross Income Standard for the appropriate household size as shown on Oklahoma Department of Human

Services (OKDHS) Appendix C-3, Maximum Food Benefit Allotments and Standards for Income and Deductions. After gross income and non-financial conditions of eligibility are established, the net food benefit monthly income is computed and compared to the Maximum Net Income Standard for the appropriate household size as shown on OKDHS Appendix C-3. If the net food benefit income does not exceed this standard, the household is determined eligible. The steps in (A) through (H) are used to determine the household's net food benefit monthly income.

(A) Add gross monthly income earned by all household members including any net self-employment income minus the earned income exclusions to determine the household's total gross earned income.

(B) Multiply the total gross earned income by the appropriate earned income deduction according to the OKDHS Appendix C-3 and subtract that amount to determine the net monthly income. The earned income deduction is not allowed on any portion of income earned under a work supplementation or support program that is attributable to public assistance.

(C) Add the net monthly earned income and the total monthly unearned income of all household members, minus income exclusions.

(D) Subtract the standard deduction as shown in OKDHS Appendix C-3.

(E) Subtract monthly dependent care expenses. A dependent care deduction cannot be allowed for dependent care expenses which are reimbursed or paid for under an employment and training (E&T) program or other source.

(F) Subtract verified legally-binding child support payments made to someone outside the food benefit household.

(G) Add the allowable shelter expenses to determine the total shelter costs. Subtract from the total shelter costs 50% of the adjusted income, the household's monthly income after all of the deductions given in subparagraphs (A) through (F) of this paragraph have been subtracted. The remaining amount, if any, is the excess shelter costs. If there are no excess shelter costs, the net monthly income has been determined. If there are excess shelter costs, proceed to the next step.

(H) To apply the excess shelter costs, subtract excess shelter costs from the adjusted income if the total of excess shelter costs does not exceed the maximum shown in OKDHS Appendix C-3. If the total of the shelter costs

exceeds the standard shown in OKDHS Appendix C-3, only the amount not exceeding the standard is deducted.

(2) Households with an elderly or disabled member. When a household that includes an elderly or disabled member meets the non-financial conditions of eligibility, the household's net food benefit, monthly income, and household size are the basis for determining eligibility. The net food benefit monthly income is compared to the Maximum Net Income Standards for the appropriate household size as shown on OKDHS Appendix C-3. If the net food benefit income does not exceed this standard, the household is determined eligible. The steps listed in (A) through (I) are used to determine the household's net food benefit income if the household includes an elderly or disabled member.

(A) Add gross monthly income earned by all household members, including any net self-employment income minus the earned income exclusions, to determine the household's total gross earned income.

(B) Multiply the total gross earned income by the appropriate earned income deduction from OKDHS Appendix C-3 and subtract that amount to determine the net monthly income. The earned income deduction is not allowed on any portion of income earned under a work supplementation or support program that is attributable to public assistance.

(C) Add the net monthly earned income and the total monthly unearned income of all household members, minus income exclusions.

(D) Subtract the standard deduction as shown in OKDHS Appendix C-3.

(E) Subtract medical expenses that exceed \$35 for elderly or disabled household members only. Thirty-five dollars is subtracted only once for the household rather than for each household member.

(F) Subtract monthly dependent care expenses. A dependent care deduction cannot be allowed for dependent care expenses that are reimbursed or paid for under an E&T program or other source.

(G) Subtract verified legally-binding child support payments made to someone outside the food benefit household.

(H) Add the allowable shelter expenses to determine the total shelter costs. Subtract from the total shelter costs 50% of the adjusted income, the household's monthly income after all of the deductions in (A) through (G) of this

paragraph have been subtracted. The remaining amount, if any, is the excess shelter costs. If there are no excess shelter costs, the net monthly income has been determined. If there are excess shelter costs, go to the next step.

(l) To apply the excess shelter costs, subtract excess shelter costs from the adjusted income.

(c) Food benefit allotment.

(1) Initial month proration.

(A) Initial month means the first month the household is certified for food benefits following any period during which the household was not certified. Food benefit allotments for an initial month are based upon the date of the application and prorated from the date of application.

(i) Proration of benefits from the application date applies to the new case if one food benefit household separates into two or more food benefit households.

(ii) Migrant and seasonal farm worker's food benefits are not prorated when the household has received food benefits in the prior month. ■ 2

(iii) While a household's eligibility for the initial month is determined by considering the household's circumstances for the entire month of application, the benefit is based on the day of the month the household applies for benefits.

(iv) The monthly benefit that the recipient would be eligible to receive if proration did not apply must be determined prior to computation by using the prorated benefit on OKDHS Appendix B, Prorated TANF and Food Benefits: Proration Payment Form, or by using the formula: $(31 \text{ minus the application date}) \times \text{monthly benefit divided by } 30 = \text{the prorated benefit}$.

(B) The prorated benefit is rounded down to the lower dollar. If the answer is less than \$10, the household is denied for the month of application but certified for the next month. If the household applies on the 31st day of the month, use the 30th for the application date for purposes of this provision. Households that apply after the 15th of the month are issued the prorated benefits for the month of application and the benefits for the first full future month on the same day.

(C) When a household is certified for the month following the month of initial application because the household failed to furnish necessary information, benefits are prorated from the date the household furnished the information. The application date becomes the date information was furnished to OKDHS.

(2) **Monthly benefit.** The monthly benefit for all months except the initial month is the amount listed on OKDHS Appendix C-3 for the appropriate household size and net income.

(d) **Delayed applications.** Applications that are not approved or denied by the 30th calendar day are considered delayed applications. On the 30th calendar day following the application date, every delayed application is assessed to determine who caused the delay. The purpose of this assessment is to determine if the benefits are denied and what date is used to prorate benefits if the household is determined eligible at a later date. ■ 3

(1) **Delay caused by OKDHS.** When the processing delay is caused by OKDHS, the application remains in pending status. At the end of the first 30 calendar days the household is notified of the reason the application is still pending using Form 08MP039E, Notice to Client of Action Taken. If the household is later determined eligible, the case is certified back to the date of application. ■ 4 OKDHS caused delays include, but are not limited to, the circumstances given in (A) through (F) of this paragraph.

(A) The household's first interview was scheduled on or before the 20th day following the date of application. The household appeared for the interview but subsequently failed to provide the required verification. During the interview the worker did not explain to the household or provide the information in writing regarding:

- (i) what factors must be verified;
- (ii) what is considered acceptable verification; or
- (iii) by what date the information must be supplied.

(B) An interview was never scheduled for the household.

(C) The worker did not offer or provide assistance to the household in obtaining the verification as required or did offer assistance but failed to follow through on collateral contacts or release of information.

(D) The worker discovered that additional information was required after the interview but the client did not have ten calendar days between the request for the verification and the 30th calendar day of the application process.

(E) The household missed their first interview on or before the 30th calendar day and requested that the interview be rescheduled. The human services center (HSC) was unable to schedule the second interview date until after the 30th calendar day.

(F) The eligible household provided all the required verification on or before the 30th day, and the application was not approved or denied.

(2) **Delay caused by the household.** When the processing delay is caused by the household, the application is denied on the 30th calendar day. The household is notified by computer-generated notice that the application is denied. When the household provides the required verification in the second 30 calendar days, a new application is not required. If the household is determined eligible, the food benefit allotment is prorated from the date the household provided the verification. Household caused delays include, but are not limited to, the circumstances given in (A) through (C) of this subparagraph.

(A) The household's first interview was scheduled on or before the 20th calendar day following the date of application. The household appeared at the interview but subsequently failed to provide the required verification. The worker provided the household with a statement of required verification, offered to assist the household in obtaining the verification, and also allowed the household sufficient time to provide the verification.

(B) The household missed their first interview and requested on or before the 30th calendar day that the interview be rescheduled. The interview was rescheduled to be held on the 30th calendar day; however, the household did not provide all the required verification at the rescheduled interview.

(C) The household missed their first interview and requested on or before the 30th calendar day that the interview be rescheduled. The household stated they could not come in until after the 30th calendar day.

(e) **Certification periods.** Definite certification periods are established for each eligible household to receive benefits. At the expiration of each certification period, entitlement to food benefits is established only upon a recertification based upon a newly completed application, an interview, and required verification provided. [OAC

340:50-3-2] Under no circumstances are benefits continued beyond the end of a certification period without a redetermination of eligibility.

(1) **Month of application.** The month of application is the first month in the certification period for initial applicants if eligibility is determined within the 30-day period.

(A) Because of anticipated changes, a household may be eligible for the application month but ineligible for the subsequent month. In this situation, the household is certified for the application month only.

(B) If a household is found to be ineligible and is denied benefits for the application month but is eligible for subsequent months, a new application is not needed and the case is certified effective the month following the application month. ■ 5

(2) **Missed interview.** During the application process, a household who did not appear for their first scheduled interview may request a new interview date be scheduled through the 30th day following their application date. See delayed applications in paragraph (d) of this Section to determine the proration date of the food benefit allotment. ■ 6

(3) **Information furnished after the application is denied.** When an application is denied because the household did not provide the requested information and the applicant furnishes the required information to determine eligibility within the second 30-day period, a new application is not required. The worker certifies food benefits using the date the information or verification is furnished as the application, certification, or proration date.

(f) **Length of certification periods.** Households are assigned the longest certification period possible based on the predictability of the household's circumstances.

(1) **One month.** A one-month certification is assigned to:

(A) households eligible only for the application month; and

(B) migrant farm worker households, in the work stream, who apply before the 16th of the month.

(2) **Two months.** A two-month certification is assigned to:

(A) households eligible only for the certification month and subsequent month; and

(B) migrant farm worker households, in the work stream, who apply after the 15th of the month.

(3) Twelve months.

(A) A 12-month certification period is assigned to households at certification unless:

(i) the household includes an able-bodied adult without dependents (ABAWD) member who is not meeting the work requirement or is not otherwise exempt; or

(ii) all adult household members are elderly or disabled with no earned income.

(B) These households are required to complete a review at six-month intervals. They are known as semi-annual reporters. ■ 7

(4) Twenty-four months. A 24-month certification period is assigned to households when all adult members are elderly or disabled with no earned income. These households are required to complete a review at 12-month intervals. They are known as annual reporters. ■ 8

INSTRUCTIONS TO STAFF 340:50-9-1

Revised 6-1-11

- 1. For example a person's weekly earnings of \$99.90 are multiplied by the number of checks that will be received in a month's time and the cents rounded to the nearest dollar, $\$99.90 \times 4.3 = \429.57 rounded to \$430.**
- 2. In order to issue the correct food benefit allotment amount, the application date on the Family Assistance/Client Services (FACS) system must be coded as if the household had applied on the first day of the application month regardless of the actual date of application.**
- 3. The assessment is recorded in FACS Case Notes.**

4. (a) Food benefit certifications for the current or future month may be teleprocessed through the last day of the month.
 - (b) The FSSR transaction can be used to issue benefits back to the date of application but no more than two months prior to the month the case is processed.
 - (c) The FSLB transaction is used to request retroactive certifications that are more than two months prior to the current month.
 - (d) Instructions for the FSSR and FSLB transactions are found by entering M space FSSR or M space FSLB on the IMS network.
5. If the applicant is not eligible for the month of application or the following month, the application is denied. A new application is required for subsequent months.
6. If a member of the food benefit household or the household's authorized representative fails to appear for the first scheduled interview, the worker puts the application in Fdeny status using reason 59. This will issue the Notice of Missed Interview (NOMI).
7. The worker gives or mails Form 08MP006E, Information for Benefit Review Reporters, to households determined semi-annual reporters.
8. (a) The worker gives or mails Form 08MP006E, Information for Benefit Review Reporters, to households determined annual reporters.
 - (b) If the food benefit household is also receiving a State Supplemental Payment (SSP) at the time of the review for the SSP and the household remains eligible for both benefits, the worker completes a new food benefit application. The worker updates the SNAP tab in FACS to show a new food benefit application. The new certification is then processed using a "1" action rather than a "c" change.

340:50-9-5. Changes after application and during the certification periodRevised 6-1-11

(a) **Applicant households.** Applicant households must report all changes related to their food benefit eligibility and benefit amount. Households must report changes that occur after the interview but before the date of the notice of eligibility, within ten calendar days of the date of the notice. ■ 1

(b) **Certified households.** Those households assigned a certification period other than 12 or 24 months are required to report within ten calendar days changes in:

- (1) sources of income;
- (2) unearned income of \$50 per month or more;
- (3) earned income of more than \$100 per month;
- (4) household composition, such as an addition or loss of a household member;
- (5) residence and resulting changes in shelter costs;
- (6) the acquisition of licensed vehicles not fully excluded; and
- (7) the legal obligation to pay child support.

(c) **Change affecting food benefit.** If a reported change affects the household's eligibility or food benefit amount, the household is notified of the adjustment to be made and the effective date. The worker has ten calendar days from the date the change is reported to take the necessary action. ■ 2

- (1) If the household fails to report a change within the ten-day period and, as a result, receives benefits to which it is not entitled, an overpayment claim is referred to the Family Support Services Division (FSSD) Benefit Integrity and Recovery Section.
- (2) If the worker fails to take action on a reported change within the prescribed time limits and benefits are lost, they are restored to the household.

(d) **Changes that increase benefits.** Changes resulting in a benefit increase must be verified. The household is allowed ten calendar days to verify the information. ■ 3

(e) **Changes that decrease or close benefits.** Food benefits are closed, **never** suspended, if a change in household circumstances causes a household to be ineligible for food benefits. When a household's benefit decreases or closes, an advance notice is required unless exempt from such a notice for a reason listed in (1) and (2) of this subsection. When an advance notice is required, the decrease or termination of the benefit is effective no later than the month following the month in which the advance notice period expired. ■ 4 When the change is reported less than ten calendar days before the advance notice deadline, the action must be taken before advance notice deadline the following month. Advance notice is not required when the:

(1) Oklahoma Department of Human Services (OKDHS) receives a clear written statement signed by a responsible household member stating he or she no longer wishes food benefits or gives information which requires closure or reduction of food benefits and stating that he or she understands the food benefit will be reduced or closed. The household retains its right to a fair hearing and continuation of benefits if a fair hearing is requested within ten calendar days of the change notice; and

(2) reduction or closure of food benefits is based on situations listed in (k) of this Section. ■ 5

(f) When benefits may be reopened following closure. The food benefit may be reopened following closure using current eligibility information when:

(1) policy and procedures were not administered correctly. The food benefit is reopened back to the first day of the month of closure; ■ 6 or

(2) the household provides all required verification by the last day of the month of closure for failure to complete the review. The food benefit is reopened and prorated from the date the review is completed. ■ 7

(g) **Annual reporting households.** Food benefit households with all adult members elderly or disabled with no earned income are known as annual reporters. ■ 8 A 24-month certification period is automatically assigned. These households are only required to report changes that result in their gross monthly income exceeding 130 percent of the monthly poverty income guidelines for their household size unless it is the review or recertification month. The worker must act on any changes reported by households that increase or decrease their benefits. The system determines if the change results in an increase or decrease in benefits. Between review or recertification months, a decrease in benefits does not occur unless the:

(1) household has requested closure of the case; or

(2) worker has information about the household's circumstances considered verified upon receipt. ■ 9

(h) Benefit review for annual reporters. Annual reporting households are sent notification in the 11th month of certification that the review is due. An interview is not required. In order to continue to receive benefits, the household must complete the review, that includes providing all required verification, by the last day of the 12th month of certification. OKDHS reviews information to determine whether changes are needed.
■ 10

(1) Changes reported at review must be acted on.

(2) If the reported changes result in a decrease or closure of benefits, an advance notice must be sent to the household.

(3) If the household fails to provide sufficient information regarding a deductible expense requiring verification, the review is processed without regard to the deduction.

(i) Semi-annual reporting households. All food benefit households, except those considered annual reporters or certain households containing one or more able bodied adults without dependents (ABAWD), are assigned a 12-month certification period
■ 11

(1) Between the month of review or recertification, households are only required to report changes that result in their gross monthly income exceeding 130 percent of the monthly poverty income guidelines for their household size unless their household contains an ABAWD meeting the work rule per OAC 340:50-5-64(a).
■ 12 Households with an ABAWD meeting the work rule at certification must report if the hours decrease below an average of 20 per week or 80 per month. ■ 10

(2) The worker must act on any changes reported by households that increase or decrease their benefits. The system determines if the change results in increase or decrease in benefits.

(3) Between the month of review or recertification a decrease in benefits does not occur unless the:

(A) household has requested closure of the case; or

(B) worker has information about the household's circumstances considered verified upon receipt. ■ 9

(j) **Review for semi-annual reporters.** Semi-annual reporting households are sent notification in the fifth month of certification that the review is due. ■ 12 An interview is not required. In order to continue receiving benefits, the household must complete the review, that includes providing all required verification, by the last day of the sixth month of certification. OKDHS reviews information provided to determine whether changes are needed.

(1) Changes reported at review must be acted on.

(2) If the reported changes result in a decrease or closure of benefits, an advance notice must be sent to the household.

(3) If the household fails to provide sufficient information regarding a deductible expense, the review is processed without regard to the deduction.

(k) **Notice of adverse action not required.**

(1) **Mass changes.** The individual notification requirement is waived when changes affecting the entire caseload or significant portions of the caseload are initiated because of changes or requirements in federal or state law. ■ 13 In these situations, FSSD mails notices to the households informing them of the changes that are about to be made. ■ 14

(2) **Notice of death.** If the worker determines, based on reliable information, that all members of the household are deceased, notice of adverse action is not required.

(3) **Moved out of county.** Notice of adverse action is not required when the worker determines, based on reliable information, that the household has moved out of the county and that a transfer request has not been received.

(4) **Completion of restoration of lost benefits.** Notice of adverse action is not required if the household is previously notified in writing when restoration of lost benefits is completed and the household's food benefit is reduced due to completion of restoration of lost benefits.

(5) **Variable food benefit.** The household benefit amount varies from month to month within the certification period to take into account changes that were anticipated at the time of certification and the household was so notified at the time of certification.

(6) **Willful misrepresentation.** Notice of adverse action is not required if a person in the household is disqualified for willful misrepresentation. If there is more than

one person in the household, the benefits of the remaining household members are reduced or terminated to reflect the disqualification of that household member.

(7) **Food benefit recoupment.** A notice of adverse action is not required if the household fails to make agreed upon cash or food benefit repayment of an overpayment.

(8) **Drug or alcohol treatment center or group home loses approved status.** If a household's eligibility is being terminated because the drug or alcohol treatment center or group home facility is no longer approved, an individual notice of adverse action is not required.

(I) **Action on changes when fair hearings are requested.** When a household requests a fair hearing within ten calendar days of the date shown on the adverse action notice, the household may continue to receive food benefits.

INSTRUCTIONS TO STAFF 340:50-9-5

Revised 6-1-11

- 1. At the interview, the worker must give each household Form 08FB038E, Changes in Household Circumstances. A change is considered reported the date the human services center (HSC) receives Form 08FB038E or is notified of the change by telephone or personal contact. In order to provide easier access, each HSC must have a telephone number where collect calls are accepted. The phone number is:**
 - (A) provided on all notices such as those for certification, denial, and adverse action; and**
 - (B) shown on Form 08FB038E.**
- 2. When a change is reported, the worker determines if the change affects the household's eligibility or the food benefit. The worker must document all reported changes in Family Assistance/Client Services (FACS) Case Notes. If the change was reported on Form 08FB038E, the household must be provided with another Form 08FB038E.**
- 3. When a change is reported:**

- (1) the change is made effective no later than the first issuance to be delivered ten calendar days after the date the change was reported or verified, whichever is later;
 - (2) the worker issues a supplement when a change that increases benefits is reported too late to verify and make the change by regular roll deadlines;
 - (3) if verification is provided timely, the supplement is issued by the tenth calendar day following the date the change was reported, or the date the regular roll benefit is to be received, whichever is later; and
 - (4) if the required verification is not provided within ten calendar days but is provided at a later date, the supplement is issued within ten calendar days of the date verification was provided, rather than from the date the change was reported.
4. When a change is reported ten calendar days or more before the advance notice deadline, Oklahoma Department of Human Services (OKDHS) Appendix B-2, Deadlines for Case Actions, the action is taken in the same month the change is reported.
 5. A notice of adverse action is computer-generated except when the reason for the change is death, code 01, or other, code 69. When code 69 is used, Form 08MP038E, Notice to Client, is hand issued by the worker.
 6. When the food benefit closes because of administrative error, it is reopened in the SNAP tab of the FACS system using "R" in the Action Taken field and "18A" in the Reason field. Any required changes are entered in the same action. It is also necessary to update the benefit and status fields in the Household tab for persons included in the benefit household.
 7. (a) When the food benefit closes because the client did not complete the review timely, it is reopened in the SNAP tab using "R" in the Action Taken field, "18O" in the Reason field, and the date the review was completed in the Effective Date field. Any required changes are entered in the same action. It is also necessary to update the benefit and status fields in the Household tab for persons included in the benefit household.
 - (b) When the client waits until after the last day of the month of closure to provide needed information, he or she must reapply.

- 8.** The worker is responsible for determining which households are identified as annual reporters. The worker uses normal certification procedures. The computer recognizes the annual report status, automatically assigns a 24-month certification period, and identifies the household as an annual reporter by entering A in the reporter status field.
- 9.** (a) Verified upon receipt means that information is not questionable, and the provider is the primary source of the information. Action must be taken by the next effective date using normal adverse action processes. Types of information considered verified upon receipt include, but are not limited to:
- (1) Beneficiary and Earnings Data Exchange System (BENDEX), from the Social Security Administration (SSA). For example, a BENDEX data exchange message is received during a non-report month indicating a household member is approved for Social Security benefits. This income results in food benefit decrease and the information is considered verified upon receipt;
 - (2) Supplemental Security Income (SSI)/State Data Exchange System (SDX), from the SSA;
 - (3) Systematic Alien Verification for Entitlements (SAVE), from the United States Citizenship and Immigration Services (USCIS);
 - (4) Unemployment Insurance Benefits (UIB), from the Oklahoma Employment Security Commission (OESC);
 - (5) workers' compensation documents from Workers' Compensation Court;
 - (6) information from the household, when reporting changes in household composition. For example, when the client reports a person has left the household and the change results in a food benefit decrease. This information is considered verified upon receipt; and
 - (7) actions processed for food benefits or other OKDHS programs, that affect food benefit expenses such as:
 - (A) a decrease in the child care family share co-payment, that results in a smaller dependent care deduction; or
 - (B) the determination of an intentional program violation.

(b) Examples of information that are NOT verified upon receipt are:

(1) Oklahoma Wage Link (OWC and OWL), quarterly wage match data;

(2) any wage data obtained from BENDEX; and

(3) New Hire List (NHL) matches. For example, an NHL data exchange message is received during a non-report month indicating a household member has started to work. This income would decrease the food benefit; however, the information is NOT considered verified upon receipt. The action to decrease food benefits is not taken as it is a non-report month.

10.(a) Methods the household may use to complete the review include:

(1) completing the review electronically by:

(A) accessing www.okdhslive.org; or

(B) getting help from a community partner to access www.okdhslive.org;

(2) downloading Form 08MP004E, Renew My Benefits, from www.okdhslive.org and completing, signing, and bringing, mailing, or faxing it to OKDHS; or

(3) going into the local HSC to complete the review with a worker using the FACS system.

(b) Food benefit cases in reporter status are displayed on CWA Report 17, for tracking purposes, the month the review is due. Food benefit cases are no longer displayed on CWA Report 17 when the benefit report action field is updated with "C" for complete. If the benefit report action field remains blank or is updated to "I" for incomplete, the case remains on the CWA Report 17 until the benefits close at negative action deadline.

(c) Once the client completes the review, the information is analyzed to determine:

(1) what changes have occurred;

(2) whether the household signed the review electronically or on the paper review form;

(3) whether the client provided all required verification; and

(4) what changes must be made on the system.

(d) The review is complete after:

(1) all review information has been entered in the Interview and Eligibility Notebooks of FACS;

(2) information contained on the review, in the verification provided, and on data exchange screens have been evaluated for changes;

(3) any additional information has been entered in FACS Case Notes to explain any changes made and how continued eligibility was determined; and

(4) the system is updated. If complete, the worker processes all changes, updates the benefit report action field with "C", and enters the date the action is shown as complete.

(e) When the review is determined incomplete because the client failed to sign the review or did not provide all required verification, attempts are made to contact the client to advise what is lacking. FACS Case Notes are documented with what is lacking and with all attempts to obtain needed information. The benefit report action field is updated with "I" indicating an incomplete review and the date the client completed the review online or Form 08MP004E was received in the HSC.

(f) When the client does not complete the review, the benefit report action field remains blank. When this field remains blank or shows an "I" at negative action deadline, the food benefits are automatically closed the next effective date with reason code 36S.

11.(a) The worker follows normal certification procedures. The computer recognizes the semi-annual status, automatically assigns a 12-month certification period, and identifies the household as a semi-annual reporter by entering "S" in the reporter status field.

(b) Oklahoma is exempt from following able-bodied adult without dependents (ABAWD) rules at this time.

12. The worker informs the ABAWD who meets the work rule at the time of certification to report if his or her work hours decrease below 20 hours per week, averaged to 80 hours per month. ABAWDs are required to report this change within ten calendar days of the date of the change. Refer to OAC 340:50-5-64 for ABAWD work requirements.

(1) When the client reports changes timely or untimely, the worker must review the client's prior ABAWD status to accurately determine if all food benefits for which the client is eligible have been received, including the initial three 'free' months. If the worker determines the client is eligible for the initial three 'free' months, then food benefits continue. The worker completes a desk review during the third month prior to advance notice deadline to review the client's ABAWD status.

(2) When the worker determines the client has received all food benefits for which he or she is eligible, the client is removed from the food benefit the next effective date. If the client is the only person in the food benefit household, the worker closes the benefits the next effective date.

13. Examples of mass changes include changes in:

(1) the maximum income limitation or basis of issuance tables;

(2) Social Security or SSI benefits; and

(3) Temporary Assistance for Needy Families (TANF) or State Supplemental Payments.

14. The Family Support Services Division may also announce SNAP changes through the media so the general public as well as food benefit recipients are notified.

340:50-11-1. Criteria

Revised 6-1-10

These criteria apply to all households making application or reapplication for food benefits, including residents of approved drug and alcohol treatment centers and group homes. Households entitled to expedited services include households:

- (1) with less than \$150 gross income if their liquid resources do not exceed \$100;
■ 1
- (2) with migrant or seasonal farm workers who are considered destitute if their liquid resources do not exceed \$100; and
- (3) whose combined monthly gross income and liquid resources are less than the household's monthly rent or mortgage and/or utilities.

INSTRUCTIONS TO STAFF 340:50-11-1

Issued 6-1-11

1. **Liquid resources are declared, but not verified. See OAC 340:50-7-1 for the definition of liquid resources. The worker documents the amount of liquid resources declared by the household in Family Assistance/ Client Services (FACS) case notes. If the household is not expedited eligible due to declared liquid resources, the worker codes the amount declared for the household, not to exceed \$2,000 for households with no elderly or disabled members or \$3,000 for households with elderly or disabled members in the Resource tab in FACS.**

340:50-11-5. Procedures for expediting servicesRevised 6-1-11

To expedite the certification process, the worker must verify the applicant's identity. All reasonable efforts to verify the household's residency, income declaration, including a statement that the household has no income, and other factors of eligibility are made. Verification is done by seeing documentary evidence or through a collateral contact when documentary evidence is not readily available. Verification of factors other than identity that could not be made during the expedited service processing time limits may be postponed. In most instances, it is expected that the applicant verify at least residence and income, within the time limit. Benefits cannot be delayed beyond the time limit solely because factors other than identity were not verified.

(1) Except for the applicant, work registration of household members may be postponed when it cannot be accomplished within the expedited service processing time limit.

(2) Households entitled to expedited service are asked to furnish a Social Security number for each person applying for benefits before the second full month of participation with the exception of newborns. ■ 1

(3) The worker certifies households who have furnished all necessary verification for determining continued eligibility for a normal certification period. If the interview or verification is postponed, the worker provides the household with Form 08AD092E, Client Contact and Information Request, setting an interview date and listing needed verification that must be provided before further benefits are approved. The interview must be completed and verification provided within 30 calendar days of the application date in order to avoid a break in benefits. If the interview is completed and postponed verification provided within 60 calendar days of the date of application, a new application is not needed. Benefits are prorated from the date the interview is completed and verification provided. ■ 2

(4) When verification is received, the worker approves the household, if eligible, for a normal certification period. ■ 3 This approval must be certified within seven calendar days of the receipt of the verification and completion of the interview.

(5) If the household does not complete the interview or provide postponed verification within 60 calendar days of the application date, the household must complete a new application in order to receive further food benefits.

(6) There is no limit to the number of times a household can be certified under

expedited procedures as long as prior to each expedited certification the household completes the interview requirement, if postponed, and provides the postponed verification from the last expedited certification or was certified under normal processing standards since the last expedited certification.

INSTRUCTIONS TO STAFF 340:50-11-5

Revised 6-1-11

- 1. Households with a newborn may have up to six months following the month the baby was born to supply a Social Security number (SSN) or proof of application. All other household members unable to provide a SSN prior to the second full month of participation are allowed to continue to participate only if they provide verification that the household member has applied for a SSN or made every effort to supply the necessary information to complete an application. Refer to OAC 340:50-5-68.**
- 2. When the interview is postponed, the worker must schedule an interview within 30 calendar days of the application date.**
- 3 A normal certification period is the expedited service month and the following months.**

340:50-11-64. Destroyed food purchased with benefitsRevised 6-1-11

(a) In households where food purchased with benefits is destroyed in a household misfortune such as a fire, tornado, or flood, a replacement of the actual value of loss, not to exceed the household's monthly allotment, may be made if the loss is reported within ten days of the loss and the loss is verified. Food loss through loss of electricity or malfunction of appliances unless caused by a storm, does not qualify as a household misfortune and the food loss may not be replaced. ■ 1

(b) Prior to issuing the replacement, a household member must complete Form 08FB0012E, Request for Replacement of Destroyed Food, attesting to the loss within ten days of the report of the loss. When the Oklahoma Department of Human Services is not open for business on the 10th day, the form must be received by the next business day. The worker must issue the replacement within ten calendar days of the reported loss or within two business days of receiving the completed form, whichever is later.

INSTRUCTIONS TO STAFF 340:50-11-64Revised 6-1-11

1. The worker processes the replacement using the Food Stamp Replacement (FSRP) transaction. The worker documents in Family Assistance/Client Services case notes each request for replacement, the date requested, the reason, and if the replacement was provided.

340:50-11-111. Categorically eligible householdRevised 6-1-11

(a) **Purpose.** This Part includes the requirements for establishing categorically eligible households for the Supplemental Nutrition Assistance Program (SNAP).

(b) **Definitions.** The following words and terms, when used in this Part, shall have the following meaning, unless the context clearly indicates otherwise:

(1) "**Categorically eligible household**" means:

(A) any household, as defined in OAC 340:50-11-20, in which all members receive or are authorized to receive:

(i) Temporary Assistance for Needy Families (TANF) cash assistance; or

(ii) a combination of Supplemental Security Income (SSI) and TANF cash assistance;

(B) any household in which all members receive or are authorized to receive SSI;
or

(C) any household in which members receive or are authorized to receive services through the Oklahoma Marriage Initiative except as excluded in (d) of this Section. ■ 1

(2) "**Authorized to receive**" means the person has been determined eligible for benefits and has been notified of this determination even though the benefits have not yet been received. ■ 2

(c) **Suspended, recouped, or benefit not issued.** The fact that TANF or SSI benefits were suspended, recouped, or are less than the minimum amount paid has no impact on a determination of categorical eligibility.

(d) **Ineligible households.** A household is not classified as a categorically eligible household when the:

(1) entire household is institutionalized and the institution is not listed at OAC 340:50-5-25 as an institution where residents may participate in SNAP; or

(2) household contains a sponsored alien.

INSTRUCTIONS TO STAFF 340:50-11-111

Revised 6-1-10 6-1-11

1. **Households** are required to meet the income guidelines according to the Oklahoma Department of Human Services (OKDHS) Appendix C-3, Maximum Food Benefit Allotments and Standards for Income and Deductions (Maximum gross income standards without elderly/disabled members or Maximum net income standards for households with elderly/disabled members that are not pure SSI and/or TANF households).
2. When approved for food benefits, the certification notice advises households they are authorized to receive services through the Oklahoma Marriage Initiative.

340:50-11-112. When to classify categorically eligible householdsRevised 6-1-11

Food benefit households are immediately classified as categorically eligible households unless the households meet the criteria defined at OAC 340:50-11-111(d) for ineligible households. ■ 1

INSTRUCTIONS TO STAFF 340:50-11-112

Revised 6-1-09

1. Prior to denying or closing food benefits, the worker must document in the Family Assistance/Client Services (FACS) Case Notes why the client is not categorically eligible.

340:50-11-113. Financial eligibility factors

Revised 6-1-11

(a) When all household members meet categorical eligibility per OAC 340:50-11-111(b)(1)(A) through (B), they are not subject to income limits of the Supplemental Nutrition Assistance Program (SNAP). Income for the household must be verified.

(b) Households authorized to receive services through the Oklahoma Marriage Initiative (OMI) are subject to the income limits as shown on Oklahoma Department of Human Services Appendix C-3, Maximum Food Benefit Allotments and Standards for Income and Deductions (Maximum gross income standards without elderly/disabled members or Maximum net income standards for households with elderly/disabled members that are not pure SSI and/or TANF households).

(c) Households with a person who is determined to have an intentional program violation (IPV) in SNAP are subject to income limits at OAC 340:50-7.

340:50-11-115. Review of categorical eligibilityRevised 6-1-11

When all or some of the household members lose eligibility for Supplemental Security Income (SSI) or Temporary Assistance for Needy Families (TANF) for any reason except recoupment or suspension, the household is no longer categorically eligible based on income. The food benefits must be closed when the household's income exceeds standards on Appendix C-3, Maximum Food Benefit Allotments and Standards for Income and Deductions for non-categorically related households. ■ 1

INSTRUCTIONS TO STAFF 340:50-11-115Revised 6-1-11

1. Each human services center must devise a method of monitoring categorically eligible cases so ineligible households do not continue to receive food benefits when categorical eligibility ends.

340:50-15-25. Cases referred for intentional program violation determinationRevised 6-1-11

(a) **Cases determined by administrative disqualification hearing (ADH).** For a determination of intentional program violation, Family Support Services Division (FSSD) Benefit Integrity and Recovery Section and Oklahoma Department of Human Services (OKDHS) Office of Inspector General (OIG) staff make referrals for an ADH to the OKDHS Legal Division Appeals Unit. The cases referred contain documentary evidence of intentional program violation, but do not warrant civil or criminal prosecution.

(1) **Waiving of ADH.** A client suspected of intentional program violation may choose to waive his or her rights to an ADH. The client must complete and sign Form 08OP016E, Administrative Disqualification Hearing Waiver, if the client requests a waiver. A waiver of the hearing subjects the client to the same penalties as if the hearing process determined intentional program violation.

(2) **Penalties for intentional program violation.** When the ADH results in an intentional program violation determination or the client waives his or her right to the hearing process, the FSSD Benefit Integrity and Recovery Section imposes the penalties in (A) - (B) of this paragraph.

(A) Disqualification.

(i) **Notification.** FSSD Benefit Integrity and Recovery Section sends Form 08AD019E, Program Penalty/Disqualification Notice, to the disqualified member. Form 08AD019E includes information regarding the remaining household members' eligibility.

(ii) **Period of disqualification.** The period of disqualification for a person is one year for the first violation, two years for the second violation, and permanently for the third violation.

(I) Any person disqualified for intentional program violation prior to April 1, 1983, is considered to have one violation regardless of the number of prosecutions.

(II) A person is disqualified for a period of ten years if the person is found to have made a fraudulent statement or representation with respect to identity or place of residence in order to receive multiple benefits

simultaneously under the Supplemental Nutrition Assistance Program (SNAP).

(iii) **Disqualification effective date.** Disqualification begins the first possible effective month following the date of Form 08AD019E, or the date specified on the ADH decision letter. Once the disqualification begins, it runs continuously until the end of the period imposed.

(iv) **Disqualification computation.** Either the worker or FSSD Benefit Integrity and Recovery staff removes the disqualified person from the household size. The worker counts the gross income of the disqualified person in their entirety as available to the remaining household members and allows all applicable deductions for remaining household members. ■ 1

(B) **Repayment.** A client must repay food benefit overpayments regardless of any disqualification penalty. FSSD Benefit Integrity and Recovery Section notifies the client of the necessity for making a repayment plan by Form 08OP118E, Food Benefit Repayment Agreement. The options for the repayment plan are the same as those listed in OAC 340:50-15-6.

(b) **Cases determined by a court.** The FSSD Benefit Integrity and Recovery Section refers all cases suspected of intentional program violation to OIG to make a determination of whether court action is feasible.

(1) OKDHS staff must not discuss the overpayment claim with the client until court action is completed or the FSSD Benefit Integrity and Recovery Section notifies the human services center of any action to be taken. Local staff forwards further information or directs client inquiries to the FSSD Benefit Integrity and Recovery Section.

(2) A court of appropriate jurisdiction may find one or more persons in the household guilty of obtaining food benefits by fraudulent means. The court may charge the person with either a misdemeanor or felony depending on the amount of food benefits fraudulently obtained.

(3) Procedures for disqualification penalties are the same as in cases determined by administrative disqualification hearings at (a)(2) of this Section with the exceptions included in (A) through (D).

(A) The court may specify the length of the disqualification. These court specified periods of disqualification override (a)(2)(ii) of this Section.

(B) A person determined by a court to have committed intentional program violations of trading benefits for firearms, ammunition, explosives, or controlled substances is subject to disqualification:

(i) for two years for the first offense and permanently for the second offense involving the sale of a controlled substance for food benefits; and

(ii) permanently for the first offense involving the sale of firearms, ammunition, or explosives for food benefits.

(C) A person convicted of trafficking food benefits of \$500 or more is permanently disqualified from participation in SNAP. Trafficking includes:

(i) fraudulently using, transferring, altering, acquiring, or possessing Electronic Benefit Transfer (EBT) cards or access devices; or

(ii) presenting food benefits for payment or redemption knowing the same to have been fraudulently obtained or transferred.

(D) A person is disqualified from participation in SNAP for a 10-year period if the person is found to have made a fraudulent statement or representation with respect to identity or place of residence in order to receive multiple benefits simultaneously under SNAP.

(4) The court may also stipulate a repayment plan. The repayment plan cannot be renegotiated. The FSSD Benefit Integrity and Recovery Section may refer the case back to the district attorney's office if the client fails to comply with the repayment plan.

INSTRUCTIONS TO STAFF 340:50-15-25

Revised 6-1-11

1. (a) OAC 340:50-7-29(c)(1) mandates staff to not prorate the income or deductions of a disqualified person.

(b) To ensure the household is prohibited from receiving an increase in benefits, the worker must code the person as disqualified in the Family Assistance Client Services (FACS) Household tab of the Interview Notebook.