DHHS ECONOMIC SERVICES POLICY GOVERNANCE BOARD

Administrative Letter 2014-01

IEM 4000 INTEGRATED INCOME POLICY MANUAL

DATE: **February 7, 2014**

SUBJECT: **Policy Changes and Clarification**

DISTRIBUTION: **County Directors of Social Services**
Income Maintenance/Eligibility Program Managers
Medicaid Program Supervisors
Special Assistance Supervisors
Work First Supervisors
Food and Nutrition Supervisors
Energy Supervisors
Refugee Supervisors
Subsidized Child Care Supervisors

EFFECTIVE: **Upon receipt**

I. BACKGROUND AND CONTENT OF CHANGE

Policy revisions are included to indicate to clarify or correct previously published policy. These revisions are spelled out in II. below.

II. POLICY REVISIONS

A. The SA Manual SA-3210 has been removed from the former Division of Aging and Adult Services Manuals website. All information related to countable and non-countable income, base periods, required verifications and other information covered in IEM-4000 has been removed from the SA Manual website. Unduplicated policy from SA-3210 has been revised and placed in a new manual section in IEM 4100 SA Requirements to Obtain Maximum Entitlement Income.

B. Section 4030.1, Countable Earned Income, Self-Employment Income
The base period exception for Medicaid Family and Children stating that the "*MIC/MAF cannot be longer than 6 months*" has been removed. The base period is 12 months.

C. IEM Section 4030.2 New Countable Income Type Added
Long-term care insurance payments have been added as countable unearned income for SA.

1. For SA, long-term care insurance payments for care at home or in a residential facility is counted as unearned income regardless of whether the payment is made to the facility or to the individual or his/her representative. Long-term care insurance is not a benefit that SA applicants or beneficiaries are required to activate.

2. Medicaid ABD counts long-term care insurance payments only when they are made directly to the individual. When paid to the facility, they are considered third-part payments and must be referred for third-party recovery.

Follow the guidance in the IEM Section 4050.3 Verification Method Hierarchy for method of verification.

D. New Entry in Section 4080: IEM Section 4080.19 SSI/RSDI Recoupment
The Special Assistance allowance for SSI/RSDI recoupment has been added to 4080. Applicants/beneficiaries are required to request a reduction or waiver of the recoupment. For instructions on reduction or waiver of recoupment see **Section IEM 4100** SA Requirements to Obtain Maximum Entitlement Income.

E. New Entry in Section 4080: IEM Section 4080.23 PASSALONG
The Medicaid ABD passalong provision with income exclusions have been added to Section 4080.

F. New Section: IEM Section 4100 SA Requirements to Obtain Maximum Entitlement Income
This section, along with IEM 4100 to 4170 **replaces SA-3210**. This section instructs counties on the requirement for SA applicants and beneficiaries to obtain the maximum amount of entitlement benefits available to them. It provides instructions on when applicants/beneficiaries (a/b) must apply for SSI, when the applications can pend, and lists the reasons allowable for an a/b's income to be less than the FBR, and the timeframe for the exclusion if applicable.

G. IEM Section 4030.2 Unearned Income- Child Support special budgeting note updated.
Special Budgeting note for Child Support has been updated to clarify that Food and Nutrition Services must calculate and convert child support income based on frequency of pays received in the three month base period. Do not use a three month average unless child support is received monthly or sporadically.

For example: Child support is received every two weeks.
The total child support received during the three month base period is $800.
There are 7 receipt dates during the three month base period.
Countable child support income would be $800/7=$114.29 every two weeks.

III. PROCEDURES TO BEGIN USING THE IEM

Please continue to use this manual for all decisions regarding which types of income to count, how to verify income and which income deductions and base periods to apply. The revisions in this **Administrative Letter 2014-01** are effective immediately and supersede policy in the current income section of all Program Manuals.

A. **DHHS divisions are working to delete the income section from all current manuals and provide a link to the new income section.** In the interim please use the new integrated income section for all applications and re-certifications and when changes are reported.

B. **For policy related questions please contact the program representatives you currently use for policy interpretation and technical assistance.**

Sincerely,
DHHS Economic Services Policy Governance Board

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