

OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE

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 | ADMINISTRATIVE DIRECTIVE |
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TRANSMITTAL: 01 ADM-2

DIVISION: Temporary Assistance

TO: Commissioners of
 Social Services

DATE: February 26, 2001

SUBJECT: Expansion of Food Stamp Categorical Eligibility

 SUGGESTED

DISTRIBUTION: | Food Stamp Directors
 | Temporary Assistance Directors
 | CAP Coordinators
 | Staff Development Coordinators

CONTACT

PERSON: | Eastern Region at 800-343-8859, extension 3-1469 or
 | (518) 473-1469

ATTACHMENTS: | None

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
95 ADM-20		387.14(a)(5)	FSA 5 (a)	FSSB V-B	GIS 99
95 INF-35		387.15(e)	7CFR273.2(j)	(All); XVI- C-9 #24	TA/DC015 ABEL 01-1 ABEL 01-1A

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I. PURPOSE

This directive is released to inform social services districts (SSDs) of the expansion of Food Stamp (FS) categorical eligibility to recipients of ongoing Safety Net Assistance-Federally Not Participating (SNA-FNP) benefits. In addition, a change in federal FS rules now permits households who are categorically eligible for \$0 benefits to be denied, rather than suspended.

II. BACKGROUND

Currently, FS households in which all members receive, or are authorized to receive, Family Assistance (FA), Federally Participating SNA (SNA-FP) and/or Supplemental Security Income (SSI) benefits are categorically eligible for FS. Categorically eligible households are exempt from the FS resource limit, gross and net income tests and certain documentation requirements by virtue of having met comparable means and assets standards of the qualifying programs. Categorical eligibility is significant because it:

- reduces documentation requirements for applicants and recipients;
- permits households to retain or accrue resources up to the qualifying programs' limits. For example, FA and SNA rules exempt an automobile with a fair market value up to twice the FS automobile exemption (or higher, at district option) if the vehicle is needed for seeking or retaining employment or for work activities;
- affords a minimum \$10 monthly FS benefit (before any allotment reduction) for households of one or two members; and
- simplifies eligibility determinations for SSD workers.

The United States Department of Agriculture has certified that New York State's SNA-FNP program meets the federal statutory criteria for conferring FS categorical eligibility on its recipients. Accordingly, the definition of categorically eligible FS households is expanded to include households in which all members receive, or are authorized to receive, regular recurring (not Emergency only) cash or non-cash SNA-FNP benefits.

III. PROGRAM IMPLICATIONS

A. Entire Household Categorically Eligible for FS

FS households in which all members receive, or are authorized to receive, FA, SNA-FP, SNA-FNP and/or SSI are categorically eligible for FS. In addition, a "pure" FA, SNA-FP, SNA-FNP and/or SSI household that includes an individual who is sanctioned from FA, SNA-FP or SNA-FNP for failure to comply with a requirement other than work rules and social security

enumeration remains categorically eligible for FS. Such households remain categorically eligible because the individuals are not sanctioned from FS, and the sanctioned individuals' income and resources are counted in determining the households' eligibility for cash assistance. Examples of individuals whose cash assistance sanction status does not affect their households' FS categorical eligibility include those who fail to comply with SSI application or group health insurance enrollment requirements.

Categorically eligible households also include those in which a member receives FA, SNA-FP, SNA-FNP or SSI but is considered a non-household member and ineligible for FS because the individual is:

- _ an ineligible student; or
- _ a FS ineligible alien.

In addition, a household comprised of recipients of FA, SNA and/or SSI is categorically eligible even if an individual who would be required to be included in the FS household has an alien status that renders the person ineligible for FA or SNA and ineligible for FS.

Categorically eligible FS households continue to be exempt from FS resource, gross income and net income limits. Categorically eligible FS households of one or two persons continue to be entitled to at least \$10 in monthly FS benefits, before any allotment reduction (recoupment).

Based on new federal FS rules, a categorically eligible FS household of three or more persons whose benefit calculation results in a \$0 allotment will be denied or closed, rather than suspended. The denial or closing notice must inform the household that "Your income is too high to receive any Food Stamp benefits. If you have a change in the number of people in your household, or your income, expenses or other circumstances change, you should reapply for Food Stamps."

B. Individual Categorically Eligible for FS

The resources of categorically eligible individuals are exempt for FS, even if the entire household is not categorically eligible. For example, the value of a vehicle owned by a categorically eligible individual is exempt, even if its value would be over the FS resource limit. Similarly, a resource such as a bank account belonging to a categorically eligible individual is not added to the resources of other household members to determine whether the entire household is over the resource limit. Such households must, however, pass the FS gross and net income tests.

C. Households and Individuals That Are Not Categorically Eligible

Federal statute specifies that the following individuals are

not categorically eligible, and a FS household is not categorically eligible if it includes an individual who is:

- not receiving or authorized to receive ongoing FA, SNA or SSI. Please refer to section III.A of this directive, however, for information about sanctioned FA and SNA recipients whose status does not cause their FS household to lose categorical eligibility;
- sanctioned for not complying with FS employment and training requirements, or employment and training requirements imposed under the FA, SNA or unemployment insurance benefits programs that are comparable to FS requirements;
- sanctioned for not complying with social security number enumeration;
- disqualified for a FS intentional program violation;
- ineligible for cash assistance and/or FS due to the household's failure to comply with quarterly reporting requirements; or
- not in an eligible household composition status. Examples of individuals and households that are ineligible under this provision include boarders applying to participate separately from the household providing the lodging and meals, and ineligible residents of institutions or group living arrangements.

IV. REQUIRED ACTION

A. Applicants

SSDs must apply the new guidelines for determining categorical eligibility for applicants beginning on March 1, 2001. Households in which all members receive or are authorized to receive FA, SNA-FP, SNA-FNP and/or SSI must be determined categorically eligible for FS. SSDs also must exclude the resources of categorically eligible individuals for households that are not categorically eligible.

B. Recipients

SSDs must review the cases of TA recipients at next case contact, but no later than next recertification, to identify cases previously denied FS. Any cases now categorically eligible for FS must have FS benefits calculated and restored back to March 1, 2001. In addition, any TA recipients previously denied FS based on the inclusion of the resources of individuals who are now categorically eligible must have FS eligibility redetermined and, if eligible, benefits restored back to March 1, 2001.

SSDs must review FS cases at next recertification or benefit recalculation, whichever is earlier. Cases identified as categorically eligible based on the expanded definition will be exempt from the FS resource and gross and net income limits. Cases that include an individual who is categorically

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eligible under the expanded definition must have that individual's resources excluded.

V. SYSTEMS IMPLICATIONS

In Upstate WMS, SSDs must enter the FS Categorical Eligibility Indicator 'Y' (Yes) in the ABEL FS Input Screen when calculating FS eligibility and benefit amount for a categorically eligible household. The case of a categorically eligible household of three or more persons whose Food Stamp net income results in a zero benefit should be processed as an '03' application denial or '08' recertification closing using FS Reason Code 'E30 - Excess Income'. When closing such cases as an '07' closing transaction, FS Reason Code 'Y99' should be used and a manual closing notice issued.

In New York City WMS, the system will automatically determine FS categorical eligibility using the new criteria.

VI. EFFECTIVE DATE

This directive is effective March 1, 2001.

Patricia A. Stevens
Deputy Commissioner
Division of Temporary Assistance