



Office of Temporary and Disability Assistance

ANDREW M. CUOMO
Governor

SAMUEL D. ROBERTS
Commissioner

MICHAEL PERRIN
Executive Deputy Commissioner

Administrative Directive

Section 1

Transmittal:	16-ADM-06
To:	Local District Commissioners
Issuing Division/Office:	Center for Employment and Economic Supports
Date:	June 10, 2016
Subject:	Expansion of Categorical Eligibility for Supplemental Nutrition Assistance Program (SNAP) Households with Earned Income
Suggested Distribution:	Temporary Assistance Directors SNAP Directors Staff Development Coordinators
Contact Person(s):	SNAP Bureau at 1-800 343-8859, extension 3-1469
Attachments:	Attachment A: LDSS-4943 SNAP Categorical Eligibility Desk-Aid
Attachment Available Online:	<input type="checkbox"/>

Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
01 ADM-02 07 ADM-09 09 ADM-06		18 NYCRR 387.14(a)(5); 387.15(d); 385.12; 385.13	7 CFR 273.2(j)		ABEL Transmittals 07-3, 08-3

Section 2

I. Summary:

The gross income threshold for categorical eligibility for the Supplemental Nutrition Assistance Program (SNAP) for **households with earned income budgeted for the purpose of determining SNAP eligibility and benefit amount** is being raised from 130% to 150% of the federal poverty level (FPL).

This change in policy does **not** apply to, nor does it affect, the following SNAP applicant and recipient households:

- A. SNAP Households that have **any** member who is either temporarily or permanently sanctioned or disqualified from the SNAP due either to an Intentional Program Violation (IPV), or to a SNAP work rules violation or voluntary job quit pursuant to 18 NYCRR 385.12 and 385.13.* Under federal regulation, households with members who are sanctioned or disqualified from participation in SNAP due to either an IPV, work rules violation or voluntary quit cannot be considered categorically eligible for SNAP, and so must pass all relevant resource tests and gross and net income tests in order to be eligible for SNAP benefits. **This is current policy.**

(*Note: ABAWDs – Abled Bodied Adults without Dependents – who are **ineligible** to participate in SNAP due to failure to meet ABAWD work requirements are **NOT** considered to be sanctioned or disqualified due to a work rules violation pursuant to 18 NYCRR 385.12. The remaining members of any SNAP household containing an ineligible ABAWD, if not otherwise prohibited, can be considered to be categorically eligible for SNAP.)

- B. SNAP Households that have any member(s) age 60 or older or disabled (aged/disabled). **For such SNAP households, categorical eligibility already extends to 200% of FPL.**
- C. SNAP Households that have out-of-pocket dependent care expenses for a member of the SNAP household. **For such SNAP households, categorical eligibility already extends to 200% of FPL.**
- D. SNAP Households that do **not** have any aged/disabled members, that do **not** have out-of-pocket dependent care expenses, **and in which all of the household's earned income is excluded from household income** under the federal SNAP regulations at 7 CFR 273.9(c). Such income is not budgeted for the purposes of determining SNAP eligibility and benefit amount. Such households remain subject to a 130% of FPL gross income test (GIT).

This ADM also notifies the local districts about the release of the updated version of the SNAP Benefits Categorical Eligibility Desk Aid (LDSS-4943). It has been updated to reflect the expansion of categorical eligibility addressed in this ADM. A copy is attached to this ADM, and a link to the updated version of the desk aid is provided below:

https://otda.state.ny.net/ldss_eforms/eforms/4943.pdf

II. Purpose:

The purpose of this Administrative Directive (ADM) is to inform social services districts (SSDs) about the expansion of categorical eligibility for the SNAP, and the effects of this expansion on policy, procedures and systems. This change will expand SNAP eligibility for low-income working households in New York State.

III. Background:

A. Categorical Eligibility

The meaning of “categorical eligibility” often is a source of confusion for local social services district workers and for SNAP applicants and recipients. Historically, the federal regulations governing SNAP extended categorical eligibility only to those households in which all members were in receipt of either Supplemental Security Income (SSI) or TANF-funded public assistance benefits. The rationale for bestowing categorical eligibility on such households was that they already would have passed resource tests and gross and net income tests (GITs and NITs) at least as stringent as those required for SNAP eligibility. With this in mind, in 2001, with the issuance of 01 ADM-02, New York State expanded categorical eligibility to include not only households where all members were in receipt of TANF-funded public assistance or SSI but state-funded (Safety Net) public assistance as well.

B. Broad-Based Categorical Eligibility

In the wake of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) and the welfare reform and block granting of federal Temporary Assistance to Needy Families (TANF) funds that resulted, the nature of public assistance changed greatly in the states. In response to these changes, the United States Department of Agriculture (USDA) began to permit states to adopt categorical eligibility standards for SNAP that aligned with the changing nature of public assistance programs funded by the TANF block grants. These revised categorical eligibility standards that have been adopted by most states are known as “broad-based categorical eligibility” or BBCE.

In essence, under BBCE, being “categorically eligible” simply means that, having passed the relevant GIT, a SNAP household no longer is subject to either a resource limit or to a net income test for eligibility. Households of one or two persons that are categorically eligible are **at least** eligible for the minimum SNAP benefit for a household of one or two persons (currently \$16). There is no such minimum benefit for households of more than two people, and so the benefit calculation for a household of more than two people can yield a benefit of \$0. This is why it is possible to be “categorically eligible” for \$0 in SNAP benefits (and therefore ineligible for SNAP).

On January 1, 2008, as established in 07 ADM-09, OTDA adopted BBCE and expanded categorical eligibility for SNAP to include almost all households except

- households with any aged/disabled members **and** income over 200% of FPL, and
- households with members who were sanctioned or disqualified from participation in SNAP due to an IPV or SNAP work rules violation or voluntary quit.

For all other households, the provision of a TANF-funded service, the “Helping Hands for People in Need” (PUB. 4916) brochure conferred (and continues to confer) “broad-based categorical eligibility” (BBCE) for the SNAP.

Households **without** any aged/disabled member(s) still were subject to a 130% of FPL Gross Income Test (GIT) in order to be eligible for SNAP.

Similarly, and with the same exceptions noted in the bullets immediately above in Section III, on March 25, 2009, as established in 09 ADM-06, OTDA further expanded BBCE for SNAP households that incur and are responsible for paying out-of-pocket dependent care expenses for a member of the SNAP household. OTDA expanded categorical eligibility for these households to 200% of FPL. Out-of-pocket dependent care expenses can be substantial, and such expenses can be deducted from a SNAP applicant/recipient household's gross income once they pass a gross income test. This expansion made it possible for households with out-of-pocket dependent care costs and gross household income over 130% of FPL but less than 200% of FPL to be eligible for SNAP.

IV. Program Implications

As of July 1, 2016, all SNAP applicant and recipient households **with earned income budgeted for the purpose of determining SNAP eligibility and benefit amount** are categorically eligible to participate in the SNAP if the household's total budgeted gross income (both earned and unearned) is 150% of FPL or less, provided the SNAP household does not have any members who are disqualified from participation in SNAP due to an IPV or SNAP work rules violation.

As noted above, this change will **not** affect the following SNAP households:

- A. SNAP households with any members who have been temporarily or permanently disqualified from participation in SNAP due to an IPV or work rules violation or voluntary quit.** Such households are prohibited from categorical eligibility, and must pass all applicable statutory and regulatory gross and net income tests, and resource limit tests in order to be eligible for SNAP. The current resource limits are \$2,250 for households **without** any aged/disabled members, and \$3,250 for households **with** any aged/disabled members. **This is current policy and is not being changed by this ADM.**

- B. SNAP households where none of the earned income is budgeted for SNAP purposes,** where all earned income is excluded from household income and, therefore is not included in the SNAP budget. Income Exclusions from both earned and unearned sources are defined in the federal regulations at 7 CFR 273.9(c), in the State regulations at 18 NYCRR 387.11 and in Section 13 (page 273) of the SNAP Source Book. A common example of excluded earned income would be *"...the earned income of any household member who is under age 18, who is an elementary or secondary school student, and who lives with a natural, adoptive, or stepparent or under the parental control of a household member other than a parent."*

- C. SNAP households that have any members who are aged/disabled.** For these households, provided the household does not have any members who are sanctioned or disqualified from participation in SNAP due to an IPV or SNAP work rules violation or voluntary quit, categorical eligibility already extends up to 200% of FPL. **** This is current policy and is not being changed by this ADM.**

D. SNAP households that pay out-of-pocket dependent care costs for a member of the SNAP household. For these households, provided the household does not have any members who are sanctioned or disqualified from participation in SNAP due to an IPV or work rules violation or voluntary quit, categorical eligibility already extends up to 200% of FPL. **This is current policy and is not being changed by this ADM.**

E. SNAP households without budgeted earned income, without out-of-pocket dependent care expenses, and without any household members who are aged/disabled. Such households remain subject to a 130% FPL GIT. **This is current policy and is not being changed by this ADM.**

(**Note: SNAP households with any aged/disabled members and household income over 200% of FPL cannot be categorically eligible, and currently are subject to a \$3,250 resource limit.)

V. Required Action:

OTDA's Automated Budgeting and Eligibility Logic (ABEL) subsystem has been programmed to fully support the automatic calculation of eligibility and benefits of affected SNAP applicant and recipient households according to the 150% of FPL categorical eligibility standard. Hence, this expansion of categorical eligibility for SNAP will be largely transparent to local social services district workers and to SNAP applicants and recipients. No changes to current budgeting and coding procedures are required as a result of this expansion.

When screening a potential applicant for eligibility or a current recipient for continuing eligibility, or when providing information pertaining to SNAP eligibility to households with earned income, it will be important for state and local social services district staff to be aware of this change in policy and to use the 150% of FPL income amounts when assessing the potential eligibility of working households and when informing them about SNAP income thresholds. Please see the Maximum Gross Monthly Income 150% of Poverty chart in sub-section VII.A of this section below for current values. It is important to note that the federal poverty level amounts for SNAP are subject to annual adjustment each October 1st.

VI. Systems Implications:

A. Upstate WMS

As noted in ABEL Transmittal 16-2, effective June 19, 2016, for SNAP budgets calculated with a FROM DATE of 07/01/2016 or later, a 150% of FPL GIT will be applied to ABEL SNAP budgets that

- have **earned income (any source besides ('49 – Earned Income of a Sponsor')) budgeted for the purpose of determining SNAP eligibility and benefit amount,**
- that do **not** have any aged or disabled members,

- that do **not** incur out-of-pocket dependent care expenses, and
- that do **not** have any individuals who are sanctioned or disqualified from participation in the SNAP.

As initially described in ABEL Transmittal 07-3, and subsequently referenced in ABEL Transmittals 08-3, and 16-2, ABEL will apply the correct categorical eligibility income threshold based on the Categorical Eligibility Indicator code, Income Source codes, and presence of Dependent Care costs greater than \$0 in the ABEL budget. This expansion of categorical eligibility does not require any change to the instructions regarding the proper use of the FS [SNAP] Categorical Eligibility Indicator codes provided in ABEL Transmittal 07-3:

1. For SNAP households with a household member who has been sanctioned or disqualified from SNAP due to an IPV or SNAP work rules violation, workers are to enter FS [SNAP] Categorical Eligibility Indicator “S – SANCTIONED for FS – Not Categorically Eligible.”
2. For SNAP households with all members in receipt of TA or SSI and where no household members are sanctioned or disqualified, workers are to enter FS [SNAP] Categorical Eligibility Indicator “Y – CATEGORICALLY ELIGIBLE – All TA/SSI.”
3. For SNAP households where all members are not in receipt of either TA or SSI and no household member is sanctioned or disqualified (including Aged/Disabled households), workers are to enter FS [SNAP] Categorical Eligibility Indicator “N – CATEGORICALLY ELIGIBLE – Not All TA/SSI.”
4. Households with aged/disabled members that fail the 200% of FPL GIT will have FS [SNAP] Categorical Indicator “A – A/D-NOT CE ELIG” **system generated** in the FS OUTPUT SCREEN “CE” field. This is to indicate to the worker that the case is not Categorically Eligible for SNAP and therefore must also pass the applicable SNAP test to be SNAP eligible. The “A” will then, also appear on the FS INPUT screen CE field for subsequent SNAP case re-budgeting. The CE Indicator will change to “N” on FS OUTPUT if the SNAP household with aged/disabled members passes the 200% GIT and becomes FS Categorically Eligible as the result of a re-budgeting.

B. NYC WMS

Effective with Release 16.2 (06/19/16), the 150% of federal poverty level Gross Income Test for categorical eligibility will be applied to SNAP budgets with **earned income budgeted for the purpose of determining SNAP eligibility and benefit amount** with a budget effective date of 07/A/2016 if:

- the household does **not** have any aged/disabled members, does **not** incur dependent care costs entered on Screen NSBL06 (07-410>0), **and**
- provided that the household does **not** include any sanctioned or disqualified individuals.

For households meeting the criteria described in the two bullets in the paragraph directly above, and where CE = N or Y, the household will be subject to the 150% of FPL GIT. CE= N or Y will remain in the WMS record whether the household is found to be eligible for benefits or ineligible.

VII. Additional Information (Optional)

- A. The Public Notice Poster outlining the updated SNAP standards for October 1, 2016 will include the Maximum Gross Monthly Income 150% of Poverty chart. Below is the 150% of federal poverty guidelines chart from the SNAP standards effective October 1, 2015:

Household Size	Maximum Gross Monthly Income 150% of Poverty
1	\$1,472
2	\$1,992
3	\$2,512
4	\$3,032
5	\$3,552
6	\$4,072
7	\$4,592
8	\$5,112
Each Additional Member	\$520

- B. Changes to the myBenefits.ny.gov SNAP eligibility screening functionality to fully reflect the 150% categorical expansion will not be effective until mid-August 2016. This lag between the July 1st implementation date and the update to the myBenefits screening logic will **NOT** affect SNAP applications and recertifications submitted through myBenefits in any way. myBenefits applications and recertification will correctly be evaluated according to the new 150% of FPL threshold for affected households.
- C. Changes to ACCESS.nyc.gov to accommodate the 150% categorical expansion will be fully functional effective July 1, 2016.

VIII. Effective Date

July 1, 2016

Issued By

Name: Phyllis Morris

Title: Deputy Commissioner

Division/Office: Center for Employment and Economic Supports, NYS OTDA