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I. STATEMENT OF POLICY

B-651-SNAP - PO EARNED INCOME DEDUCTIONS

The following deductions are applied to all earned income, including payments while the employee is on paid sick or vacation leave.

B-651-1-SNAP - PO Standard Earned Income Deduction

Allow an earned income deduction of 20% of the total countable gross earned income for the household.

If the household receives an exclusion from gross income for court ordered child support payments, the 20% earned income deduction will be based on the total earned income rather than the amount of earned income actually counted to determine gross income eligibility.

B-652-SNAP - PO STANDARD DEDUCTION

Allow a standard deduction according to household size:

- 1 to 3 household members – \$209
- 4 household members – \$223
- 5 household members – \$261
- 6 or more household members – \$299


B-653-SNAP - PO MEDICAL DEDUCTION

A household is allowed a medical deduction for the portion of medical expenses over \$35 a month per household if the expense is incurred by any household member who is:

- 60 or older, or
- Disabled as defined in [C-1510-SNAP](#).

NOTE: The medical deduction is allowed beginning the month of the household member’s 60th birthday. If the member’s 60th birthday is during the first month of the certification period, the medical deduction is allowed beginning the first month of the certification.

NOTE: If the household member eligible for a medical deduction is institutionalized (hospital, nursing home, etc.) or dies, allow medical expenses he incurred if the remaining household members are legally responsible for the debt.

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B-653-1-SNAP - PO Allowable Medical Expenses

A household is allowed the following medical expenses for the elderly or disabled member:


1. Dental and medical care including psychotherapy and rehabilitation provided by a licensed practitioner or other qualified health professional.
2. Hospitalization, outpatient treatment, nursing care, and nursing home care provided by a facility recognized by the state. This includes payments the household makes for a person who was a household member immediately before entering the hospital or nursing home.
3. Prescribed medical expenses, which include prescription drugs, medical supplies, equipment and over-the-counter medication if approved by a qualified health professional. (Refer to B-653-SNAP-PR for budgeting procedures.)

NOTE: The cost of equipment purchased for learning purposes only, such as computers, is not allowable.

4. Health and hospitalization insurance policy premiums. The cost of health and accident policies such as those payable in lump sum settlements for death or dismemberment or income maintenance policies such as those that continue mortgage or loan payments while the beneficiary is disabled are not deductible. An ambulance service policy is considered a form of health insurance.

NOTE: Count only that portion of the premium which is attributable to the elderly or disabled member.

5. Medicare premiums and any cost-sharing or spenddown expenses incurred by Medicaid recipients.
6. Dentures, hearing aids (including batteries) and prosthetics.
7. Cost of securing and maintaining a service animal, such as a Seeing Eye dog, a dog to help the hearing impaired, etc. This includes food and veterinarian bills.
8. Eyeglasses and contact lenses prescribed by a qualified health professional.
9. Cost of verified transportation and lodging to obtain medical services for the elderly or disabled member. This would include transportation and lodging for an individual required to travel with an elderly/disabled household member for treatment and/or hospitalization. Allow the verified lodging expense not to exceed the allowable limits set for state employees. The transportation costs may be the verified amount, as long as the cost is reasonable, or the state reimbursable mileage rate. The state reimbursable mileage rate is allowable only when the vehicle used for transportation is leased or owned by a member of the SNAP household.

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10. Cost for an attendant, home health aide, child care provider or housekeeper necessary for the care of an elderly/disabled household member. This includes costs incurred due to illness or to obtain medical treatment for the elderly/disabled household member. In addition to the actual payment, deduct an amount equal to a one-person SNAP allotment if the household furnishes a majority of the caretaker’s meals. Use the allotment that is in effect at the time of the initial certification. If the allotment amount changes, it must be updated at the next redetermination or case activity, whichever is sooner. If the client reports caretaker costs that could qualify under both medical and dependent care deductions, the household must be allowed a deduction of either medical or dependent care expense, but not both.


11. Cost for equipment added to a vehicle or home to accommodate the needs of an elderly/disabled household member. This includes monthly telephone fees for amplifiers, warning or Medic Alert Systems, and the cost of equipment connected to the telephone for persons with hearing impairments. The basic fee for the telephone is considered a utility expense.

NOTE: Allow the portion of a medical expense that is not reimbursable only at the time the reimbursement is received or can otherwise be verified.

B-653-2-SNAP - PO Disallowed Medical Expenses

Medical deductions are not allowed for:

- the cost of special diets,
- the cost of medical marijuana,
- an expense paid by a non-household member directly to the provider (vendor payment),
- the portion of an expense which has been or will be reimbursed,
- expenses for services, such as nursing care, provided by a member of the same SNAP household,
- expenses paid with in-kind benefits rather than money payments, such as giving clothing to an attendant,
- one-time expenses paid prior to initial certification or in a prior certification period (Refer to B-653-SNAP-PR for additional information.),
- recurring expenses incurred or paid in a past month which were not timely reported,
- expenses verified by the provider to be delinquent, and

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NOTE: A bill may be marked "past due" as a normal billing procedure, even though the provider does not consider the account delinquent because irregular payments are being made. If questionable, obtain further verification.

- costs of health and accident policies such as those payable in lump sum settlements for death or dismemberment, or income maintenance policies such as those that continue mortgage or loan payments while the beneficiary is disabled.

B-653-3-SNAP - PO STANDARD MEDICAL DEDUCTION

A household is allowed a Standard Medical Deduction (SMD) if an elderly or disabled household member has verified allowable medical expenses of at least \$35.01.

The SMD is \$161 a month per household. A standard medical expense threshold of \$196 has been established to replace the actual allowable costs of out-of-pocket medical expenses in excess of \$35. \$196 standard medical expense threshold minus \$35 equals the \$161 SMD.

All eligible participating households will have the SMD applied at initial application, when a change is reported, or at redetermination if the household did not previously qualify for the SMD. Households with verified allowable medical expenses that exceed the \$196 standard medical expense will continue to have the actual amount of verified allowable medical expenses budgeted.

Households eligible for an SMD will remain eligible for the SMD at redetermination if they declare that their allowable medical expenses incurred by an elderly or disabled member continues to exceed \$35 a month. Verification of the medical expenses are not required at redetermination unless the declaration is questionable.

B-654-SNAP - PO SHELTER COSTS


Verification of shelter costs must be requested at Application, Redetermination, and when a change in shelter expense is reported at Simplified Report or as an interim change.

Allowable costs include:

- rent, mortgage payments, second mortgages, and other continuing charges leading to ownership of the home and surrounding property, such as escrow payments.

NOTE: If the homeowner purchases a connecting piece of property, the mortgage payments on the new property can only be allowed as a shelter cost if the new property was financed by a second mortgage or other loan secured by the home and lot.

- taxes on home property,

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- insurance, including service charge, on the shelter itself but not the contents, unless the insurance for shelter and contents cannot be separated,
- Private mortgage insurance (PMI),
- condominium fees and Homeowners Association (HOA) fees,
- installation charges for fuel, utilities and sewerage,
- ongoing charges for fuel, utilities and telephone (See B-654-1-SNAP, B-654-2-SNAP, B-654-3-SNAP and B-654-4-SNAP),
- charges for the repair of a home damaged because of natural disaster. Shelter costs do not include home repair charges that are reimbursed.

Except for special unoccupied home provisions, compute the shelter deduction using charges for the shelter currently occupied by the household.

Shelter costs do not include one-time deposits, down payments or closing costs.

NOTE: If the SNAP household shares shelter costs with a non-household member, only the portion of the expense that is the responsibility of the SNAP household may be allowed as a shelter expense. Exception: Utility costs that are shared with a non-household member must not be prorated. The appropriate utility standard is allowed.

B-654-1-SNAP - PO Standard Utility Allowance


Allow a standard utility allowance (SUA) of \$465.00 for SNAP households which have primary heating or cooling costs separate from their rent or mortgage.

The standard utility allowance includes the cost of heating and/or cooling, cooking fuel, the purchase or rental fee of a propane tank if propane is used for fuel, electricity not used to heat or cool the residence, the basic service fee for one telephone, water, sewerage, and garbage and trash collection.

Renters who are billed monthly by their landlord are eligible for the SUA.

SNAP households that use a portable space heater, such as electric, gas, or kerosene heaters, as their primary source of heat are eligible for the SUA.

Residents of public housing who are responsible for excess utilities that include heating or cooling costs are eligible for the SUA.

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Do not allow the SUA for an unoccupied home.

Cooling costs for the purpose of the SUA are limited to the costs of operating air conditioners. They do not include the cost of operating fans.

If a SNAP household incurs out-of-pocket expenses for either a heating or cooling cost, it is eligible for the SUA year round.

SNAP households that receive HUD or FmHA payments will be entitled to the SUA only if they incur heating or cooling costs that exceed the amount of the HUD or FmHA payment.

SNAP households that contain an elderly or disabled member and receive energy assistance payments greater than \$20 annually through the Low Income Home Energy Assistance Program (LIHEAP) in the current month or in the immediately preceding 12 months are entitled to the SUA even if the SNAP household does not have heating or cooling costs separate from their rent or mortgage. SNAP households that do not contain an elderly or disabled member must incur heating or cooling costs in order to receive the SUA.

B-654-2-SNAP - PO Basic Utility Allowance

Allow a basic utility allowance (BUA) of \$258.00 for SNAP households that incur utility expenses which do not include heating or cooling costs separate from their rent or mortgage. SNAP households entitled to the basic utility allowance include:


- residents of public housing who are responsible for excess utilities which do not include heating or cooling costs,
- households which incur utility expenses for an unoccupied home, and
- households which have utility costs other than heating or cooling costs that exceed the amount of HUD or FmHA payments.

The basic utility allowance includes the cost of cooking fuel, the purchase or rental fee of a propane tank if propane is used for fuel, electricity, the basic service fee for one telephone, water, sewerage and garbage and trash collection.

B-654-3-SNAP - PO Telephone Standard

If the SNAP household’s only out-of-pocket utility expense is for a telephone, allow the telephone standard of \$76.00 for one telephone, regardless of type. The telephone standard maybe allowed even if the household has only mobile phone service.

Do not allow the telephone standard when the standard utility allowance or the basic utility allowance is used, or when the cost of the telephone service is included in the cost of the rent.

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B-654-4-SNAP - PO Determination of Appropriate Utility Standard


The following chart should be used as a guide when determining the appropriate utility standard to use.

Circumstances	Utility Standard
A SNAP household owns or is buying or renting their home and is billed for utilities which include heating or cooling costs.	SUA
A SNAP household owns or is buying or renting their home and is billed for utilities which do not include heating or cooling costs.	BUA
A SNAP household rents their residence, all utilities except the telephone are included in the rent. The household has a telephone.	Telephone
A SNAP household lives in public housing and pays excess utilities, which include heating or cooling costs.	SUA
A SNAP household lives in public housing and pays excess utilities, which do not include heating or cooling costs.	BUA
A SNAP household lives in public housing and does not pay excess utilities but does pay telephone costs.	Telephone
A SNAP household lives with another household and pays rent only.	None
A SNAP household lives with another household and pays rent and helps with the utility costs, which include heating or cooling costs.	SUA
A SNAP household lives with another household and pays rent and helps with the utility costs, which do not include heating or cooling costs.	BUA
A SNAP household lives with another household, pays rent, and helps only with the telephone bill.	Telephone
A SNAP household contains an elderly or disabled member and receives energy assistance greater than \$20 annually through the LIHEAP.	SUA
A SNAP household receives energy assistance through HUD or FmHA but incurs heating and cooling expenses that exceed the amount of the HUD or FmHA payment.	SUA
A SNAP household receives energy assistance through HUD or FmHA that covers all heating and cooling expenses but the household's other utility expenses exceed the HUD or FmHA payment.	BUA

B-654-5-SNAP - PO Shelter Expenses for an Unoccupied Home

Shelter expenses are allowed for a home unoccupied because of employment or training away from home, illness, or abandonment caused by a natural disaster or casualty loss if:

- the household intends to return to the home,
- the current occupants of the home, if any, are not claiming shelter costs for SNAP purposes, and
- the home is not leased or rented during the absence of the household.

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A household that has both an occupied home and an unoccupied home is only entitled to one utility standard. A utility deduction may be allowed for the unoccupied home only if the household is responsible for utility expenses for the home. The allowable utility expense for the unoccupied home will be the BUA amount.

B-654-6-SNAP - PO Homeless Shelter Deduction

Households in which all members are homeless and have a qualifying shelter expense as outlined in this section are eligible for and must be offered the homeless shelter deduction in lieu of the excess shelter expense deduction.

The homeless shelter deduction is an alternative to the excess shelter deduction for homeless households that do not receive free shelter throughout the month (i.e., homeless households with some shelter expenses). The homeless shelter deduction is \$198.99 per month. Households that choose the homeless shelter deduction, must have it applied to their case.

For a SNAP household to receive the homeless shelter deduction, the household must:


- meet the definition of a homeless household as defined in E-291,
- have an out-of-pocket shelter expense, and
- choose the standard homeless shelter deduction.

A homeless household is eligible to receive the homeless shelter deduction even if the only shelter expense is a utility expense, including a cell phone expense. Households that receive free housing and utilities throughout the month are not eligible for the homeless shelter deduction.

A homeless household may choose to claim their actual costs instead of claiming the homeless shelter deduction, if their actual costs are higher and verified. The homeless household must be given the opportunity to choose their actual shelter costs during the interview.

LITE includes a question on the "Household Address and Contact – Details" screen, for the worker to ask the homeless household, "If your excess shelter expenses are more than the homeless shelter deduction, do you want to budget the actual shelter expense?"

- If the household says, 'Yes', to this question, then the household must provide verification of their actual costs in order to receive their actual costs under the excess shelter deduction.
- If the household says, 'No', then the household will receive the homeless shelter deduction of \$198.99.

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B-655-SNAP - PO DEPENDENT CARE DEDUCTION

Deduct the amount billed to a member of the SNAP household for the cost of caring for a child or incapacitated adult living in the home when necessary for a household member to:

- accept or continue employment,
- seek employment,
- attend training, or
- pursue education preparatory to employment. Education preparatory to employment includes all regular courses of study such as those in high school, college, vocational or technical schools.

If the household receives assistance through the Child Care Assistance Program (CCAP), only allow the client’s share of the actual cost of caring for the child.


If the child care provider is the non-custodial parent, a dependent care deduction may be allowed if the parent of the child included in the SNAP household has sole custody of the child. A deduction may not be allowed when a parent who has joint custody provides the care of their own child, since they are legally responsible for their child.

A dependent care deduction will not be allowed if another member of the SNAP household provides the care.

Allow dependent care deduction for expenses incurred as a result of transporting the child or incapacitated adult to and from the care provider. Transportation expense may be allowed for actual transportation expense incurred or mileage costs. Mileage cost may be allowed if the vehicle used for transportation is leased or owned by a member of the SNAP household and only for additional mileage traveled to transport the child or incapacitated adult to and from care provider. Allowable mileage rate is the current state mileage rate.

Dependent care expenses will be verified only if the household’s total expense exceeds \$500 per month or is questionable:

- at initial certification,
- at redetermination, or
- if the household reports a change in the expense that would result in an increase in benefits.

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If the client reports caretaker costs that could qualify under both dependent care and medical deductions, the household must be allowed a deduction of either dependent care or medical expense, but not both. The worker will make a determination on which expense would be more advantageous to the household. The determination must be documented in LITE.

B-656-SNAP - PO CHILD SUPPORT PAYMENTS

Court ordered child support payments made by a household member will be allowed as a deduction when determining net income eligibility and benefit level. Child support payments may be allowed as a deduction in the following instances:

- Allow a child support deduction for household members who make legally obligated child support payments to an individual living outside of the household.
- Neither the child’s age nor where the child lives is a consideration when determining eligibility for a child support deduction.
- Allow the deduction only for persons who have a legal obligation such as a court order that would be upheld by a judge in a court of law, an order issued through an administrative process, or a legally enforceable separation agreement.
- Allow the deduction, up to the value of the legally obligated child support amount, whether paid directly to the child support payee or as a vendor payment. The child support deduction must reflect the child support the household actually pays not to exceed the obligated amount.
- Allow a deduction for amounts paid toward arrearages. If the household member remains legally obligated to pay only arrearages after the child reaches age 18, allow the deduction if payments are actually made. The age of the child and where he lives are not a consideration when determining eligibility for a child support deduction. Arrearages collected through intercepts by IV-D, such as state and federal income tax refunds, lottery winnings, and casino winnings are not allowable in the child support deduction.
- Consider legally obligated payments paid on behalf of the non-household member (vendor payments) such as paying rent to a landlord, as part of the child support deduction for the household making the payments. This includes any payments the noncustodial parent is legally obligated to make to obtain health insurance coverage for a child or children. Vendor payments may be either specifically ordered by a court or administrative authority as part of the legally obligated amount or made part of the total legally obligated amount by a personal agreement between the parents.

EXAMPLE: If the court order specifies that the client pay \$200.00 per month child support and \$300.00 monthly to the landlord for the custodial parent’s rent, allow a total of \$500.00 as a deduction.

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If the court order obligates the client to pay \$500.00 per month child support, and the client and the custodial parent agree that \$300.00 of that obligation will be paid in-kind, such as a direct payment to the custodial parent's landlord for payment of rent, again allow the total amount of \$500.00 as a deduction. The court order would not have to specify that the client pay the \$300.00 monthly rent in order to include that amount. This arrangement must be verified and documented.

Alimony or spousal support payments made to or on behalf of a non-household member or payments made in accordance with a property settlement are not allowable as part of the child support deduction.

B-657-SNAP - PO RULES THAT APPLY TO ALL SNAP DEDUCTIONS

- Fluctuating expenses can be averaged at the applicant's option.

NOTE: If the applicant is not billed on a scheduled basis, average the expense over the period it is intended to cover.

- Use the most recent month's bills to project expenses. Consider changes expected during future months.
- If an expense is averaged over the period it is intended to cover, use the averaged amount when determining eligibility.
- Determine eligibility and benefits without deducting expenses for which required verification was not provided.
- Expenses covered by an excluded reimbursement, vendor payment, or in-kind income are not deductible.


II. PROCEDURES

B-651-SNAP - PR EARNED INCOME DEDUCTIONS

There are no procedures for this policy.

B-652-SNAP - PR STANDARD DEDUCTION

There are no procedures for this policy.

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B-653-SNAP - PR MEDICAL DEDUCTION

Budgeting Medical Expenses

Allow a medical deduction for the month the expense is billed or otherwise becomes due, regardless of when the household intends to pay the expense. If a household arranges with the provider to pay medical expenses in installments, the installments would be considered the household's expenses in the month each payment becomes due. The installment plan must be agreed upon prior to the due date of the original billing. Delinquent amounts carried forward from past billing periods are not deductible even if included with the most recent billing and actually paid by the household, since a particular expense may only be deducted once.

Medical expenses billed through charge accounts such as VISA are considered billed when the charge account statement is received. Charge account expenses such as interest are not allowed as part of the medical expense.

Households are not required to report changes in medical expenses (including new expenses) during the certification period. However, if a household voluntarily reports a change, act on the change only if it results in an increase in benefits or if the reported information is considered verified upon receipt.


If the agency learns about a change in medical expenses from a source other than the household (e.g., Medicaid), the agency will act on the change if it is considered verified upon receipt and if the action can be taken without contacting the household for additional information or verification. If the change would require the agency to contact the household, do not act on the change during the certification period.

If a medical expense is shared with a non-household member or someone who is not eligible for a medical deduction and the expense for the elderly or disabled member cannot be differentiated, the allowable deduction is the elderly or disabled member's prorated share of the expense. For example, a family of four, that includes a disabled member, has a health insurance policy. The allowable deduction for the insurance would be one-fourth of the insurance premium.

If the client reports caretaker costs that could qualify under both medical and dependent care deductions, the household must be allowed a deduction of either medical or dependent care expense, but not both.

If the client has other medical expenses of at least \$35 per month, the caretaker expense may be allowed as a medical or dependent care deduction. If the expense is allowed as a medical deduction, the household will need to provide written documentation of the medical expense.

If the client does not have at least \$35 per month in other medical expenses, the caretaker cost should be budgeted as a dependent care expense instead of a medical expense since the medical threshold is not met.

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The worker will make a determination on which expense would be more advantageous to the household. The determination must be documented in LITE.

Example: Susie is disabled and has additional medical expenses. She lives in the home with her daughter and her grandchildren. Her daughter works, but due to Susie’s disability, an attendant is required to care for Susie while her daughter works. The cost of the attendant is \$100 per month for her services. The expense can be allowed as either a medical or dependent care deduction.

Budgeting Anticipated Medical Expenses

When determining eligibility and benefits, calculate the medical deduction based on anticipated expenses. Use the most recent month's bills as an indicator of anticipated expenses, unless the household is reasonably certain a change will occur.

If a household reports an anticipated medical expense at the time of certification, but is unable to provide the verification at that time, advise the household that the expense will be allowed when the verification is provided during the certification period.

Households may elect to have fluctuating medical expenses averaged if regularly recurring, reasonably anticipated and verified.


Workers must not routinely average bills from past months, but should use these only as indicators of the anticipated expenses.

Exception: Prescribed medical expenses should be averaged as explained in B-653-SNAP-PR.

Budgeting One-Time Medical Expenses

A one-time medical expense may be allowed if:

- it is billed in the current certification period, or
- it was billed prior to initial certification and is unpaid but not delinquent at the time of certification, or
- it was billed in a prior certification period, was not allowed in that certification period, and is unpaid but not delinquent at the time of redetermination, or
- it was billed in the last two months of the prior certification period and was reported but not budgeted in that certification period.

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There are three budgeting options. The worker must explain the effect each option would have on household benefits and allow the household to choose the manner in which the one-time expense will be budgeted. The options are:

- At Certification or Redetermination
 - allow the total expense in the first month of the certification period, or
 - prorate the expense over the entire certification period or
 - allow a monthly payment amount if the household has a payment agreement with the provider or is repaying a loan made for the expense in a set monthly amount. The monthly payment amount should be allowed for the number of months specified in the payment or loan agreement.
- Ongoing Cases - If a one-time medical expense is reported during the certification period,
 - allow the total expense in one month, or
 - prorate the expense over the remainder of the certification period or
 - allow a monthly payment if the household has a payment amount agreement with the provider or is repaying a loan made for the expense in a set monthly amount. The monthly payment amount should be allowed for the number of months specified in the payment or loan agreement.


Budgeting Prescribed Medical Expenses

Allow a deduction for prescribed medical expenses that are recurring, reasonably anticipated and verified. The client may incur prescribed medical expenses on a regular basis, but the individual medications prescribed may vary due to intolerance to a particular medication or changing medical conditions. Total prescription expenses may be costly without any single prescription drug being taken on an ongoing basis. Therefore, prescribed medical expenses should be averaged.

When a client reports incurring prescribed medical expenses, which includes prescription drugs, medical supplies, and equipment, and over-the counter medication approved by a qualified health professional, obtain verification of expenses for at least three consecutive months.

If verification of expenses for the last three months is not available or is not indicative of anticipated expenses, a more appropriate time period may be used. The case record must be documented to explain the reason for using a time period of less than three months.

If the cost of a prescribed medical expense which is purchased on a regular basis has changed (cost for the same strength and quantity has increased or decreased), use the new price in the monthly average. Change the old purchase price to the new price when calculating the average expense.

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Verification/Documentation of Medical Expenses

Verify medical bills and reimbursements at initial application, redetermination, and any time during the certification period that the household voluntarily reports a change in medical expenses which results in an increase in benefits. However, households that receive the Standard Medical Deduction (SMD) are not required to provide verification at redetermination unless the declaration of the expense is questionable. (See document [C-820-SNAP](#) and [C-840-SNAP](#) for action on changes. See B-653-SNAP-PR for treatment of changes reported by sources outside the household.)

Document medical verification in LITE.

B-653-3-SNAP - PR STANDARD MEDICAL DEDUCTION

Allow a household that consist of elderly or disabled household members who have verified allowable medical expenses of at least \$35.01 a Standard Medical Deduction (SMD) of \$161.

Households that include an elderly and/or disabled household member must be provided information about the SMD during the interview. The worker must explain to eligible non-SMD households that they may qualify for the SMD during their certification period by reporting and verifying new medical expenses that exceed \$35.

Verification/Documentation of Medical Expenses

To be eligible for the SMD, households must verify that the elderly or disabled household member incurs more than \$35 a month in allowable medical expenses at application and when questionable.

Certified households will remain eligible for the SMD at redetermination if the household declares that their allowable medical expenses incurred by an elderly or disabled household member continues to exceed \$35 a month. Verification for medical expenses is not required at redetermination unless the information is questionable.


B-654-SNAP - PR SHELTER COSTS

Determining the Shelter Deduction

Deduct monthly shelter costs that exceed 50% of the income remaining after all other deductions have been allowed.

The maximum shelter deduction is \$744.00.

Except for special unoccupied home provisions, compute the shelter deduction using charges for the shelter currently occupied by the household.

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Shelter expenses for the unoccupied home such as rent, mortgage, property tax, insurance, etc. should be entered on LITE using expense code SUNA, “Shelter for Unoccupied Home.” If the household also incurs utility expenses for the unoccupied home, the BUA amount of \$258.00 must be entered as a monthly expense using the SUNA expense code. LITE will allow multiple occurrences of the expense code SUNA, but will not allow more than one standard utility expense code (SUA, BUA, and TEL).

EXCEPTION: If the household includes a member who is elderly or disabled, allow an uncapped shelter deduction for the full monthly amount that exceeds 50% of the household's monthly income after other deductions.

Do not allow the uncapped shelter deduction for households which do not currently contain a member who is elderly or disabled (even if they receive a medical deduction for a member who is now institutionalized or deceased).

Verification of Utilities

Verification of responsibility for utility costs is required only if questionable. **Document the reason the expense is questionable.**

Verification of Other Shelter Costs

Verification of shelter costs must be requested at Application, Redetermination, and if a change is reported at Simplified Report or as an interim change. Client statement is not an acceptable form of verification for shelter costs.

Questionable Information of Shelter Expenses

Any shelter expense should be verified when it is questionable.

If the SUA is used, verify that a household incurs heating or cooling expenses only if the household's statement is questionable.


Refer to C-1122-5 SNAP regarding questionable information.

Some examples of questionable information include:

Example: A client claims he has \$500 in income but is paying \$900 in rent.

Example: A client claims he is paying \$700 in rent but lives in Section 8 housing.

Example: A client claims he has had no income in the past several months but has not been evicted and the utilities have not been disconnected.

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Homeless Shelter Deduction

Homeless households may receive the excess shelter deduction, the homeless shelter deduction, or actual shelter costs if the actual costs are higher than the homeless shelter deduction and the actual costs are verified.

B-655-SNAP - PR DEPENDENT CARE DEDUCTION

Budgeting Out-of-Pocket Dependent Care Expenses

Verify dependent care expenses only if the household's total expense exceeds \$500 per month or is questionable:

- at initial certification,
- at redetermination, or
- if the household reports a change in the expense which would result in an increase in benefits.

Document the reason the expense is questionable.

A dependent care expense which is reimbursed or paid by a third party is not a deductible expense. Only the amount of the dependent care expense which exceeds the reimbursement or the amount paid by a third party is allowed as a deduction if the client is expected to pay the excess.


When a dependent care expense is reported which is subject to reimbursement or payment by a third party, the out-of-pocket expense must be anticipated and budgeted as follows:

Determine the average monthly amount of the dependent care expense.

- Determine the average monthly amount of the reimbursement or the third party payment.
- Subtract the average monthly reimbursement or third party payment from the average monthly amount of the dependent care expense.
- If this computation results in a determination that the client will incur an out-of-pocket expense, include this amount as a dependent care expense in the SNAP budget.

When actual transportation expense incurred, allow out-of-pocket expense that SNAP household is required to pay.

Example: Care provider has a van which provides transportation service for their clients. They charge a separate fee of \$5 per day to ride the van. Client rides the van 5 days per week; therefore,

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the actual transportation cost incurred, \$25 per week, would be considered an allowable dependent care transportation expense.

When determining the mileage cost incurred, do not include the normal mileage incurred by the household to go to and from work. Only allow the additional mileage traveled by the household to take the child or incapacitated adult to and from care provider.

Example: Client lives in Opelousas, works in Carencro, and the day care provider is in Lafayette. Client normally travels from Opelousas (home) to Carencro (work) every weekday. Client has to travel additional miles from Carencro (work) to Lafayette (day care) every weekday, therefore the additional miles from work to day care multiplied by the allowable mileage rate would be considered an allowable dependent care transportation expense.

Example: Client lives in Opelousas, works in Lafayette and the day care provider is in Carencro. Client normally travels from Opelousas (home) to Lafayette (work) every weekday. Day care provider is on the same route as client normally travels to work, therefore there are no additional miles traveled and no dependent care transportation expense.


When the dependent care expense is paid through the Child Care Assistance Program (CCAP), the dependent care deduction is equal to the CCAP co-payment.

If the client reports caretaker costs that could qualify under both dependent care and medical deductions, the household must be allowed a deduction of either dependent care or medical expense, but not both. If the household has no medical expenses, the caretaker expense should be allowed as a dependent care deduction. If the expense is allowed as a dependent care deduction and is less than \$500, the household will not be required to provide documentation of the expense.

Example: Joan is disabled and has no other medical expenses. Joan’s son lives with her and pays a caretaker \$400 per month to take care of her while he works. The expense can be allowed as either a medical or a dependent care deduction. The worker should budget as a dependent care expense instead of a medical expense since the medical deduction would be only the net deduction of \$365 (\$400 minus the \$35 medical threshold).

When the client’s total expense exceeds \$500 or is questionable, the client’s out-of-pocket expense may be verified by:

- Using form [OFS 85](#), Child Care Expense Verification,
- A statement from the provider, or
- Receipts or canceled checks.

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B-656-SNAP - PR CHILD SUPPORT PAYMENTS

Budgeting Child Support Payment Deduction

To determine the amount of the deduction to allow for child support payments, look at each individual's situation.

When a household has a record of paying legally obligated child support at least three months out of the past six months:

- Look at the past payments made, and
- Discuss with the client what payments are expected to be made in the future.
- Use both sources to determine prospective payments.
- Document to show how the decision was reached.

NOTE: Unless there is a change expected, usually a six-month average is a good indicator of future payments. Usually, at least the last three months of payments are used if averaging. Arrearages may be included in the average.


EXAMPLE:

Mr. A applies on October 4, 2021. It is verified that Mr. A was ordered by the court on May 24, 2021 to pay \$500 per month child support. He anticipates no changes. The worker verifies the following payment history:

Month	Total Amt Paid -(Includes Arrearages)	Arrearages
April 2021	\$1000	\$ 500
May 2021	\$ 500	None
June 2021	\$1500	\$1000
July 2021	\$ 200	None
August 2021	\$ 0	None
September 2021	\$ 300	None

Arrearages may be allowed when computing the budget. Mr. A did not anticipate any changes; therefore, average the last six months of actual payments (the obligated amount plus arrearages) to arrive at an average monthly payment amount of \$583.

At redetermination, obtain updated information on which to base a new average for the new certification period.

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Usually, the three-month payment history would continue to be met until the SNAP case closes. For households with no history or a history of less than three months out of the past six months of paying legally obligated child support, base the child support payment amount on anticipated payments using the best available information. Include arrearages in the average if the client expects to continue payments towards arrearages.

Included in the category of households without a payment record would be households with a newly established legal obligation and households that have failed to meet an obligation.

Verification of Child Support Payments

Verify the legal obligation to pay child support, the legally obligated amount, and the actual amount paid. The household is the primary source of verification of the legal obligation to pay child support, the amount of the obligation, and the amount paid.

Verify the child support payment at certification, redetermination, and whenever a change is reported which will increase the household's benefits. Document verification in LITE.

Verification of Legal Obligation and Legally Obligated Amount

Any document that verifies the obligation to pay child support, such as a court order, administrative order, or legally enforceable separation agreement would be sufficient verification of the obligation and obligated amount. CSE records may be used to verify the legal obligation.

Verification of Actual Amount Paid

Acceptable verification of amount paid includes, but is not limited to, canceled checks, wage withholding statements, verification of withholding from UCB and statements from the custodial parent regarding direct payments or third party payments the noncustodial parent pays or expects to pay on behalf of the custodial parent. Use CSE records to verify payments made to CSE. Clearance Summary may be used to verify payments made to CSE.


NOTE: Separate sources must be used to verify legal obligation and actual payments unless source is CSE records.

Failure or Refusal to Submit Required Verification of Child Support

If the household fails or refuses to submit required verification, determine the household's eligibility and benefit amount without consideration of the child support deduction.

B-657-SNAP - PR RULES THAT APPLY TO ALL SNAP DEDUCTIONS

- Do not deduct expenses paid by a reimbursement.

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- Do not deduct expenses paid by vendor payment except for vendor payments made as part of legally obligated child support. (See B-656-SNAP.)
 - Example 1: The absent parent pays the client’s \$500 mortgage directly to the mortgage company instead of paying the agreed upon \$500 voluntary child support to the client. Since there is no court order for the child support and the client’s mortgage is being paid through the absent parent’s vendor payments, the mortgage expense is not an allowable shelter deduction.
 - Example 2: The absent parent is court-ordered to pay \$500 child support to the client. Instead of giving the money to the client, he pays her \$500 mortgage directly to the mortgage company. Since the absent parent is court-ordered to pay child support of \$500 to the client, the mortgage payment is diverted income and must be counted as income to the client. The mortgage expense is an allowable shelter deduction.
- Deduct expenses only in the month the expense is billed or becomes due, regardless of when the household intends to pay it. Do not deduct past-due balances and late charges. Arrearages in child support payments are allowable for certain households eligible for a child support deduction. (See B-656-SNAP).

EXCEPTION: When a household pays an expense in advance, the deductible amount is the amount that would otherwise be due. Typically, this would be the monthly obligation. The entire pre-payment must not be deducted at one time.

- Expenses will not be deductible if the service is provided by a member of the same SNAP household.
- Do not allow deductions for work-related expenses for individuals who are not self-employed.
- Refer to [E-220-SNAP](#) for deductions of disqualified members.


III. FORMS AND INSTRUCTIONS

OFS 85 [Form](#) / [Instructions](#) Child Care Expense Verification

IV. REFERENCES

[7CFR 273.9\(d\)](#)

August 13, 2025 USDA-FNS Supplemental Nutrition Assistance Program (SNAP) All State Agency Memos – Fiscal Year (FY) 2026 Cost of Living Adjustments (COLAs)

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[August 29, 2025 USDA-FNS Supplemental Nutrition Assistance Program \(SNAP\) All SNAP State Agency Memo – SNAP Implementation of the One Big Beautiful Bill Act of 2025 Treatment of Energy Assistance Payments](#)

[LAC 67:III](#), Chapter 19, Subchapter I.