



**COMBINED MANUAL
DESCRIPTION OF CHANGES ATTACHMENT
REVISED SECTIONS – ISSUED 07/2017**

The EFFECTIVE DATE of the changes is the same as the issuance date unless stated otherwise.

0010.18.30 (Verifying Student Income and Expenses) in MSA, GA, GRH deletes all previous provisions and moves these programs to "No provisions".

0013.15.54 (GA Basis - Drug/Alcohol Addiction) in GA updates language because Drug or Alcohol Addiction (DA&A) is no longer accurate.

0013.18.36 (GRH Basis - Drug/Alcohol Addiction) in GRH updates language because Drug or Alcohol Addiction (DA&A) is no longer accurate. It also in the 2nd paragraph deletes the 1st 2 bullets for clarity.

0015.48 (Whose Assets to Consider) in MSA updates language from "Exclude" to "Do not Count".

0017.15.33.03 (Self-Employment, Convert Inc. to Monthly Amt) in SNAP updates farm loss terminology and the title of the SNAP Farm Loss Policy Guide.

0024.09.01 (Protective and Vendor Payments-SNAP/MSA/GA/GRH) in GA in the next to the last bullet deletes DA&A terminology because this is no longer accurate.

0024.09.12(Payments After Chemical Use Assessment) in GA in the 3rd paragraph deletes DA&A terminology because this is no longer accurate.

VERIFYING STUDENT INCOME AND EXPENSES

0010.18.30

In this section, "student income" means student financial aid. See [0017.15.36 \(Student Financial Aid Income\)](#). For provisions on verifying other types of income to students, see [0010.18 \(Mandatory Verifications\)](#).

MFIP, DWP, MSA, GA, GRH:

No provisions.

SNAP:

Verify student income and/or expenses using:

- [Financial Aid Form \(DHS-2646\) \(PDF\)](#).
- The client's award letters.
- Other correspondence from the school.

The [Financial Aid Form \(DHS-2646\) \(PDF\)](#) is sufficient verification of tuition or expenses for the school year. Do not require additional verification unless the student reports a change in tuition or a higher amount of expenses, or the information provided is questionable or inconsistent. See [0010.15 \(Verification - Inconsistent Information\)](#).

MFIP, DWP, SNAP, MSA, GRH:

No provisions.

GA:

People with drug or alcohol addiction have a basis of eligibility for GA when addiction is a material factor that prevents them from getting and keeping suitable employment. It must be verified through a physician's certification that the client's disability is the result of continued drug or alcohol addiction. Use the [Request for Medical Opinion \(DHS-2114\) \(PDF\)](#).

Follow the procedures in [0012.30 \(Chemical Use Assessment\)](#) to determine if a client should be evaluated for chemical dependency.

GA benefits issued for clients with drug or alcohol addiction are subject to vendor payment for shelter and utility costs. This does NOT apply to the GA personal needs allowance. After vendor paying the shelter and utilities, issue the remainder of the benefits to the client. See [0024.09 \(Protective and Vendor Payments\)](#), [0024.09.12 \(Payments After Chemical Use Assessment\)](#). See Temp Manual TE13.015 (DA&A GA Basis of Eligibility) for MAXIS instructions to set up vendoring.

Review this basis of eligibility at each recertification.

MFIP, DWP, SNAP, MSA, GA:

No provisions.

GRH:

People have a basis of eligibility for GRH when drug or alcohol addiction is a material factor that limits the person's ability to work and provide self-support.

Drug or alcohol addiction must be verified through 1 of the following:

- A physician's certification that the client's disabling condition is the result of continued drug or alcohol addiction. Use the [Request for Medical Opinion \(DHS-2114\) \(PDF\)](#).
- A qualified professional verifies that the client's disabling condition is the result of continued drug or alcohol addiction. Use the [Group Residential Housing - Professional Statement of Need \(DHS-7122\) \(PDF\)](#).

Follow the procedures in [0012.30 \(Chemical Use Assessment\)](#) to determine if a client should be evaluated for chemical dependency.

After this basis has been verified, enter "Y" on "Verified Material DA&A" field on the MAXIS DISA panel. MAXIS will send a DAIL message to change the eligibility basis to "Disability Based on DA&A".

Review this basis of eligibility at each recertification.

See [0010.18.05 \(Verifying Disability/Incapacity - Cash\)](#), [0028.18.03 \(Suitable/Unsuitable Work\)](#).

For deeming assets of sponsors who executed the I-864, see [0015.48.03 \(Whose Assets to Consider - Sponsors W/ I-864\)](#).

Follow [0015.48.06 \(Whose Assets to Consider- Sponsors W/ I-134\)](#) for deeming assets of sponsors who executed the I-134.

Consider the assets of ALL clients or members of the assistance unit, and people listed below who are NOT in the unit, when determining total available assets.

MFIP, DWP:

Count the assets of the following people:

- Mandatory unit members who are disqualified. See [0014.06 \(Who Must Be Excluded From Assistance Unit\)](#).
- Parents and stepparents not in the unit when determining eligibility for their birth and adopted minor children who live with them. This does not apply when the parent is a participant of MSA, SSI, or when the child is a minor caregiver.
- Ineligible mandatory unit members.

Do NOT count the assets of optional unit members who choose not to participate. Also, do NOT deem the sponsor's income if the sponsor is part the immigrant's assistance unit. Consider the sponsor's income as you would any other member of the assistance unit.

Do NOT count the individually owned assets of a military person out of the home on active duty unless they are made available to the family. For jointly owned assets, see [0015.06.03 \(Availability of Assets With Multiple Owners\)](#). Also see TEMP Manual TE02.10.90 (Military Families Receiving FS or Family Cash).

When the parent who normally resides with the family is living and working away from the home (or the family) and there is no marital or relationship breakdown, consider that parent a mandatory unit member. When a parent does not live in Minnesota he/she is considered an ineligible mandatory unit member because the parent is not physically present in Minnesota. Count total assets of all unit members, including the members away from the family, when determining the unit's eligibility and benefit level. For information on counting income, see [0016 \(Income From People not in the Unit\)](#). This is not considered temporary absence.

SNAP:

SNAP has no asset test.

MSA:

Consider the assets of a spouse when the spouses live together.

Do not count the assets of parents of certain blind children who are eligible for a personal needs allowance. See [0020.24 \(Personal Needs Allowance\)](#).

Consider the assets of the parent(s) or spouse of the parent of any other minor child, if the child lives with the parent(s) or the parent's spouse.

GA:

Consider the assets of:

- Spouses who live together. When determining eligibility for adults who are childless and unmarried or living apart from their children or spouses, consider the assets of parents who live with them unless the parents are SSI recipients or MSA participants.
- People disqualified from the unit for failure to provide or apply for a Social Security number (SSN). See [0012.03 \(Providing/Applying for an SSN\)](#).

- Ineligible people who are not in the assistance unit, but who are financially responsible. See [0014.06 \(Who Must Be Excluded From Assistance Unit\)](#).

GRH:

Follow MSA for aged, blind, or disabled clients. Follow GA for all other adults.

SELF-EMPLOYMENT BUDGETING

The self-employment budget period begins in the month of application or in the 1st month of self-employment. Applicants and participants must choose 1 of the methods described below for determining self-employment earned income. Self-Employment expenses are not used in the budgeting calculation, unless there is a program provision.

SELF-EMPLOYMENT INCOME CALCULATION

The agency must determine self-employment income based on client choice for each self-employment business. Clients may choose either method, if taxes were filed within the last 12 months.

- 50% of gross earnings from self-employment.
 - As determined by business records or self-employment form.
 - Gross earnings are defined as earned income before taxes and deductions.
 - This method is based on using current income to calculate self-employment income.
 - Document the calculation and which option the applicant or participant has chosen in CASE/NOTES

OR

- Taxable Income.
 - As determined from an Internal Revenue Service (IRS) tax forms that has been filed with the IRS within the last 12 months.
 - Taxable Income means "Net profit" from the applicable annual tax forms.
 - Divide the "Net profit" by 12 months to find the monthly average income for the year. If the business has been operating for less than 12 months, then divide by the number of months the business has been operating.
 - This method is based on using an annual average to calculate self-employment income.
 - Document the calculation and which option the applicant or participant has chosen in CASE/NOTES.

Current program participants must continue to use the same method for each self-employment income source, unless they meet a program-specific changing option (listed under program provisions below). If the client applies for an additional program, they may choose to use either the 50% gross or taxable income method for that new program.

MFIP, DWP:

"Current Income using 50% Method" means using income based on the budgeting method used. See [0022.03.01 \(Prospective Budgeting – Program Provisions\)](#), [0022.06 \(How and When to Use Retrospective Budgeting\)](#).

Self-Employment Hours: Only the hours the participant earns the federal minimum wage count toward the participation requirements. The number of self-employment hours is determined by dividing the net self-employment income by the federal minimum wage.

Changing Options:

Participants must be given the option to change their method of self-employment income calculation at recertification.

Participants who use the 50% of current self-employment income method, may choose the Taxable Income method at the next

benefit month.

Participants who use the Taxable Income method, must continue to use this method until recertification, unless there is an unforeseen significant change. An "Unforeseen Significant Change" means a decrease in income, where their income decrease was equal to or greater than the earned income disregard from the income used to determine the benefit for the current month, and this decrease was unpredictable.

SNAP:

Self-Employment situations that have a farm loss DO NOT have the choice of the 50% of gross earnings or the tax method to calculate Self-Employment income for any unit member's self-employment business. See [0017.15.33.24 \(Self-Employment Income From Farming\)](#) and the [SNAP Farm Loss Policy Guide \(PDF\)](#).

Calculate Rental Income using the information in [0017.15.33.30 \(Self-Employment Income From Rental Property\)](#) to determine earned versus unearned income. Count income from rental property as earned income when the unit spends an average of 20 hours or more per week maintaining or managing the property, otherwise count it as unearned income.

Under the 50% of gross earnings from self-employment method, "current income" is determined using gross business receipts received 30 days prior to the date of application, Combined Six-Month Report or recertification. Current income is an indicator of the gross business receipts that will be available during the next 6-month period.

When gross business receipts fluctuate to the extent that the preceding 30 days is not an accurate indication of anticipated gross business receipts, use a reasonable period of time and gross business receipts (for example, the last 3 months) to determine current income. A longer or shorter period of time can be used if necessary. Once you have determined the current income, use this amount for the 6-month period unless the unit reports a change.

Changes, once verified, are effective the month following the month the change is reported.

Changing Options:

Participants must be given the option to change their method of self-employment income calculation at recertification.

Participants, who use the 50% of current self-employment income method, may choose the Taxable Income method at the next benefit month.

Participants, who use the Taxable Income method, must continue to use this method until recertification.

MSA:

For SSI recipients, no county action required.

For non-SSI recipients, due to excess income, follow GA.

GA:**Changing Options:**

Participants must be given the option to change their method of self-employment income calculation at recertification.

Participants, who use the 50% of current self-employment income method, may choose the Taxable Income method at the next benefit month.

Participants, who use the Taxable Income method, must continue to use this method until recertification, unless there is an unforeseen significant change. An "Unforeseen Significant Change" means a decrease in income, where their income decrease was equal to or greater than the earned income disregard from the income used to determine the benefit for the current month, and this decrease was unpredictable.

"Current Income using 50% Method" means using income based on the budgeting method used. See [0022.03.01 \(Prospective Budgeting – Program Provisions\)](#), [0022.06 \(How and When to Use Retrospective Budgeting\)](#).

GRH:

Follow MSA for aged, blind, or disabled clients. Follow GA for all other adults.

See [0024.09 \(Protective and Vendor Payments\)](#) for general provisions and MFIP provisions.

MFIP, DWP:

See [0024.09 \(Protective and Vendor Payments\)](#).

SNAP:

SNAP cash-out benefits may go to alternate payees, and counties may use protective payments for them.

Also, participants may, or in some cases must, have an authorized representative. See [0005.06 \(Authorized Representatives\)](#).

MSA:

Use vendor payments only in the following situations:

- At the client's or representative payee's request.
- When there is an emergency need and it is the most appropriate method to resolve the emergency. See [0004 \(Emergencies\)](#).
- To use special need funds (other than for special diets). See [0023 \(Special Needs Payments\)](#).

Use protective payee payments when there is evidence that the client cannot manage income to meet necessary expenditures. Evidence includes:

- Not being properly fed or clothed.
- Repeated failure to meet obligations for rent, utilities, food, or other essentials.
- Repeated instances of lost or stolen warrants.

The determination of representative payment by the Social Security Administration (SSA) for the client is sufficient reason for protective payment of MSA.

GA:

Use alternative payment methods in the following situations:

- When you determine clients have exhibited a continuing pattern of money mismanagement, issue vendor or protective payments.
- EGA payments must be in the form of vouchers or vendor payments, unless you determine that a cash grant will better meet the need of the emergency situation. See [0004 \(Emergencies\)](#).
- When a client lives in a nursing home or an Institution of Mental Diseases (IMD), issue vendor payments to the facility on behalf of the client. See [0017.15.06 \(Assistance Payments Income\)](#), [0017.15.27 \(Vendor Payments as Income\)](#), [0020.18 \(GA Assistance Standards\)](#). Also see the [Minnesota Health Care Programs Eligibility Policy Manual](#) for more information on IMDs.
- When you refer a client for a chemical use assessment, or an assessment indicates the client is drug dependent. See [0012.30 \(Chemical Use Assessment\)](#), [0024.09.12 \(Payments After Chemical Use Assessment\)](#).
- When clients request in writing that you issue all or part of their assistance in the form of vendor payments and you approve the request.

- When you issue benefits to clients based on drug or alcohol addiction. See [0013.15.54 \(GA Basis - Drug/Alcohol Addiction\)](#).
- When a unit contains a member convicted of a drug felony. See [0011.27.03 \(Drug Felons\)](#).

GRH:

Monthly payments made on an individual's behalf for group residential housing are issued as vendor payments.

MFIP, DWP, SNAP, MSA, GRH:

No provisions.

GA:

Follow these procedures for payments after you make a referral for chemical use assessment, after a client is assessed as drug dependent, and for any client who asserts drug dependency as a basis for permanent or temporary disability. Also see [0012.30 \(Chemical Use Assessment\)](#), [0024.09.09 \(Discontinuing Protective and Vendor Payments\)](#).

You must attempt to vendor pay at least 85% of the grant. On MAXIS, indicate the vendors and the amounts to be vendor paid before the cash cut-off date. Any grant amount that is not vendor paid will be paid to the participant. Do not withhold portions of the grant if you cannot identify vendors. Do not pay the non-vendored portion to a representative payee unless there is an unrelated basis for making payments to a payee, such as money mismanagement.

If the client's basis of eligibility is based on drug or alcohol addiction, you must vendor pay the shelter and utilities, and issue the remainder of the benefits to the client. See [0013.15.54 \(GA Basis - Drug/Alcohol Addiction\)](#).

When an assessment determines that the client is not chemically dependent, start monthly payment again, beginning with the month following the decision.

For notice provisions, see [0026.51 \(Notices - Chemical Use Assessment\)](#).

