STATE OF VERMONT
AGENCY OF HUMAN SERVICES

DCF

Department for Children and Families

BULLETIN NO.: 16-20

FROM: Sean Brown, Deputy Commissioner
Economic Services Division

DATE: April 27, 2016

SUBJECT: Reach Up Procedures –
Determination & Documentation of Eligibility Factors

CHANGES ADOPTED EFFECTIVE 5/1/2016

INSTRUCTIONS

X **Maintain Manual - See instructions below.**
___ **Proposed Regulation - Retain bulletin and attachments until you receive Manual Maintenance Bulletin: _____**
___ **Information or Instructions - Retain until____________________**

MANUAL REFERENCE(S):

P-2210 C P-3000

These procedures update the last Self-Employment Income Procedures issued in 1995.

The bulletin also provides replacement instructions for the renumbered Refugee Resettlement Procedures sections.

Manual Maintenance

Reach Up Procedures

Remove		Insert	
P-2210 C4	(95-16)	P-2210 C4	(16-20)
P-2210 C5	(95-16)	P-2210 C5 p.1	(16-20)
Nothing		P-2210 C5 p.2	(16-20)
Nothing		P-2210 C5 p.3	(16-20)

Refugee Resettlement Program Procedures

Remove		Insert	
P-2310A	(82-71)	P-3000	(16-20)
P-2310B	(82-71)	P-3000 p.2	(16-20)
P-2310C	(16-16)	P-3010 p.1 – p.4	(16-20)

P-2210 Determination and Documentation of the Eligibility Factors

C. Financial Eligibility Computation (Continued)

Decreased Income

If a recipient asks for a supplement because income will decrease this month, ask for verification. When verification is submitted, recalculate the monthly income by averaging and converting to a monthly figure.

Issue the supplement immediately if the employer is clear on the reduction and it is an ongoing situation. If income fluctuates, wait until all hours in the month have been worked and verified to issue the supplement.

Ex. Client reports and verifies on 8/3 that her hours have decreased and wages will change from $150 a week to $100 a week. The employer verifies that this is an ongoing change. The first decreased check will be received 8/18. Therefore, her checks for August will be $150, $150, $100 and $100. The average is $125, so the new monthly income for August is $537.50 ($125 x 4.3). Issue the supplement. In September, the monthly income will be $430 ($100 x 4.3).

Self-Employment Income – Tax Return

If you receive the tax return from the previous year that reflects ongoing income, see Determining Self- Employment Income Using Tax Forms Procedural Handbook on determining countable self-employment income by using the appropriate tax forms.

http://intra.dcf.state.vt.us/esd/programs/all-programs/self-employment/Self-Employment-procedures-5.28.2013/view

These results include the income and allowable business expense deductions that will be entered in the BUSI panel.

Information from most recent tax return forms may be "adjusted" in order to project current income.

Example: The client reports that milk price support income has decreased by 25% from the previous year. Current year farm expenses will approximate last year's farm expenses. Verify the milk price support decrease (i.e. call the USDA for verification).

Last year's income from dairy products (IRS Schedule F – milk income)	=$ 50,000.
Last year's farm expenses, not including depreciation	= $ 25,500.

P-2210 Determination and Documentation of the Eligibility Factors

C. Financial Eligibility Computation (Continued)

Current year projected income (0.75 x 50,000)	=$ 37,500
Current year farm expense (not including depreciation)	-$ 25,500
Countable Income	=$ 12,000

$12,000/ 12 months = $ 1,000/month farm income projected for the current year.

A. **Self-Employment Business Expense-**
For day care income, see Rule 2274.4
Allowable Business Expenses, see Rule 2274.3

B. **Dependent Care Expense for Non Reach Up Members-**
Excluded Income, see Rule 2276, J. Use the total average amount verified.

P-2210 Determination and Documentation of the Eligibility Factors

Self-Employment Income – Tax Return (Continued)

C. **Alimony/ Child Support for Non Reach Up Members-**
Excluded Income, see Rule 2276, H. Use the total average amount verified. The payment amount is deducted first from countable earned income and if there is a balance, it's deducted from the unearned income.

D. **Standard Employment Expense Deduction-**
Enter for each employed household member, see Rule 2275.

E. **Allowable Dependent Care Expense for Reach Up Members-**
Enter the total verified average amount up to the maximum per eligible depended, see Rule 2276, K.

Disallowed Self-Employment

1. Payments on the principal of the purchase price of income producing real estate and other capital assets such as buildings, equipment, animals, etc.
2. Expenses and net losses from prior years.
3. Depreciation Depletion and section 179 expenses.
4. Penalties and fines.
5. Money set aside for owner's retirement from Federal, State and Local Income Taxes.

Self- Employment Income- Fact Sheet

The purpose of this procedure is to track income for clients with new self-employment who haven't filed tax returns for their income or for income that has changed from the previous year's tax return and it is now not reflective of ongoing income.

Client shall provide a written statement of potential ongoing monthly income/expenses and will be required to provide verification for bi-monthly reviews. The bi-monthly review of the income/expenses will continue until the income has been reported to the IRS. (See Reach Up Rule 2211 p.3)

Self-Employment Fact Sheets are available for calculating farm income (204F), rental income (204R), and business income (204B).

P-2210 Determination and Documentation of the Eligibility Factors

Calculating Self-Employment:

Initial Business/Trade startup costs are usually higher during the beginning months of operation. Use as many months of reflective income/expense data as the client can provide to calculate their ongoing income.

Example: Client had a catering business for 7 months and they are now applying for Reach Up. During the interview, the client discloses that her business income/expenses have been stable for the last 3 months and are reflective of what she plans to have for future months. The client would have to provide verification of the stable, reflective income/expenses from the last 3 months.

How to track income from new self-employment or income that has changed from the previous years' tax return:

1. Reach Up case manager creates a future to-do only for themselves requesting self-employment income/ expense verification every other month from the client.
2. Reach Up case manager sends out 202VCR for Reach Up only using a Macro for this verification with a return envelope to Application Documentation Processing Center (ADPC).
   The Macro will state:

"Please provide verification of your business income and expenses from the last 2 months:

____

You may complete the enclosed Fact Sheet - one for each month- or you may provide all the same information in a separate document.

*Enclosed: 2 x 204X *******"*

The case manager will fill in the appropriate 2 months and s/he will also change the 204X to 204B, 204F or 204R depending on the clients' business.

3. The eligibility worker takes the average of the previously provided income and expenses with the new income and expenses and s/he updates the BUSI panel. If the case is calling for a benefit approval, the eligibility worker would process the change for all programs.

P-2210 Determination and Documentation of the Eligibility Factors

Calculating Self-Employment (Continued)

Example:

1/1/2016 Client applies for Reach Up.

- 202V request asks for income and expense documentation from the time that the income and expenses have been stable/ ongoing.

1/1/2016 202V Verification is received.

- Client provides 7 months of 204Bs as their income and expenses were the same during those months.

3/1/2016 202VCR is sent out by Reach Up Case Manager.

- Please provide verification of your business income and expenses from the last 2 months: January and February of 2016.
  You may complete the enclosed Fact Sheet - one for each month- or you may provide all the same information in a separate document.

  Enclosed: 2 x 204B *******

3/11/2016 202VCR Verification is received.

- Eligibility worker calculates the average of the income and expenses from the previous 9 months (7 months from initial application, 2 months from bi-monthly reporting) and updates the BUSI panel. If case is calling for an approval, the eligibility worker would process the change.

P-3000 District Reporting Requirements for Refugees

Every month around the 25th each district will receive a copy of the previous month's Expenditure to Refugees, DSW 240. Changes including closures and additions will be made on this form and resubmitted.

A. Changes

1. Review and change the following as needed.

   a. Temporary ID numbers to permanent Social Security numbers as they occur.

   b. The cash assistance amount received for the report month.

   c. The cash assistance category or Medicaid only by program effective date if changed during the month or since the previous month.

      Example: An unemployed refugee, his wife and three minor children were eligible for ANFC-UP (IV-A). The father goes to work for more than 100 hours per month, but the household continues to be eligible for RCA. The IV-A eligibility was effective the 15th of the month. Use both the IV-A and RCA boxes to show amounts received under each category and asterisk, explaining as a footnotes that IV-A was received from 8-1 to 8-15 and RCA from 8-16 to 8-31.

2. Add the close date if case closed in the report month.

3. Return DSW 240 to State Office.

B. Additions

Complete all columns for new recipients.

1. Name and welfare ID of each recipient.

2. Passport/alien registration number.

   This number can be found on the passport or alien registration card that each refugee will have.

3. Date of entry.

   This should also be on the passport or alien registration card.

   If the child was born in the United States, look at the parent's date of entry. If the parents entered the United States on the same day, use this date. If they entered on different dates, use the later of the dates.

   Example #1

   Child born 6/21/82. Mother and father both entered the United States on 5/1/82. The child's date of entry will be 5/1/82.

   Example #2

   Child born 6/25/82. Father entered the United States on 6/15/82 and the mother entered on 5/3/82. The child's date of entry will be 6/15/82.

4. Name and address of sponsor.

   The person or the organization and contact person of the individual's local sponsor.

5. Cash Assistance.

   List the amount of assistance the client received during the month in the appropriate category column.

6. Medicaid only effective date.

   If refugee receives Medicaid and does not receive Refugee Cash Assistance or ANFC-IV-A, check the appropriate category.

7. Close date.

   Fill in if date of closure is in the reporting month.

P-3010 Refugee Case Procedure for Reach Up Applicants

A. General Procedures

1. Application Process

This procedure applies only to families resettled directly to Vermont from their country of origin who have chosen to apply for Reach Up Financial Assistance. It does not apply to in-migrants from other states, or families that have been resettled to Vermont and have already received Public Assistance benefits.

1. Family arrives in Vermont.
2. Vermont Refugee Resettlement Program (VRRP) staff will arrange to have the application delivered to ESD along with copies of all immigrations documents and proof of application for Permanent Social Security numbers. Application will have "VRRP" clearly marked on the top of the application and an Authorized Representative form will be included for the VRRP Reach Up (RU) Staff.
3. VRRP's RU staff will complete the application interview with the family as well as deliver RU orientation to the family and acquire signatures on the initial FDP's (614). Reach Up/Reach First Enrollment Questionnaire form 604 is not required for newly resettled families.
4. Clerical staff will route the application into the Eligibility Supervisor's mailbox for assignment to a BPS for processing.
5. Check for Authorized Representative (139REP)/ Alternate Reporter (139AR) forms and update the SUBS/C/ALT and WARN if it applies.
6. BPS will contact VRRP's RU staff member to arrange a time for the VRRP's RU staff member to complete the interview with the designated eligibility worker (within 3 working days).
7. If the family is a PEP household, the VRRP staff member will ensure that DOL registration is completed and return the completed 601 (DOL registration verification) to the designated eligibility staff member.
8. If the family or the immigration documents given to VRRP at time of resettlement indicate that one or both adult family members may have some type of disability limiting their ability to engage in work, registration **will not** be required and the VRRP's RU case manager will follow up for verification.
9. Upon receipt of all required documents, benefits will be processed by the eligibility team as soon as possible.
10. VRRP's RU staff member will assign the case management into the VRRP/RU Case manager's worker number.

P-3010 Refugee Case Procedure for Reach Up Applicants

A. General Procedures (Continued)

Special reminder - Resettlement and Placement (R&P) money is a one- time payment that is given to the family when they arrive in Vermont and will be indicated on the application as unearned income, but **is NOT** countable income for any program. This payment is different from an ongoing stipend that 3SquaresVT applicants may receive monthly that is countable.

2. Verifications

In addition to the basic Reach Up Verifications, the following documents are required for Refugee Reach Up Applicants:

1. Alternate Reporter form (137 REP) from VRRP
2. Application for Social Security Cards
3. Copy of U.S. Customs and Border Protection I-94 form
4. Passport Number
5. Child Support Referral form (137)- even if the absent parent is not in the US.

Please see Immigration Definitions and Documents for clarifications of terminology used to describe documentation status of immigrants to the United States:

http://intra.dcf.state.vt.us/esd/programs/3squaresvt/desk-aids/Immigration%20Definitions%20%20Documents.pdf/view

3. SAVES request

Send the following information about each household member to the designated worker who has right to use the SAVES report:

1. NAME
2. DOB
3. Admission number from the U.S. Customs and Border Protection I-94 form
4. Passport Number # 212-XX-XXX
5. SS# 666-XX-XXXX

Please note that in some cases, additional information might be requested from the USCIS before the SAVES report can be completed.

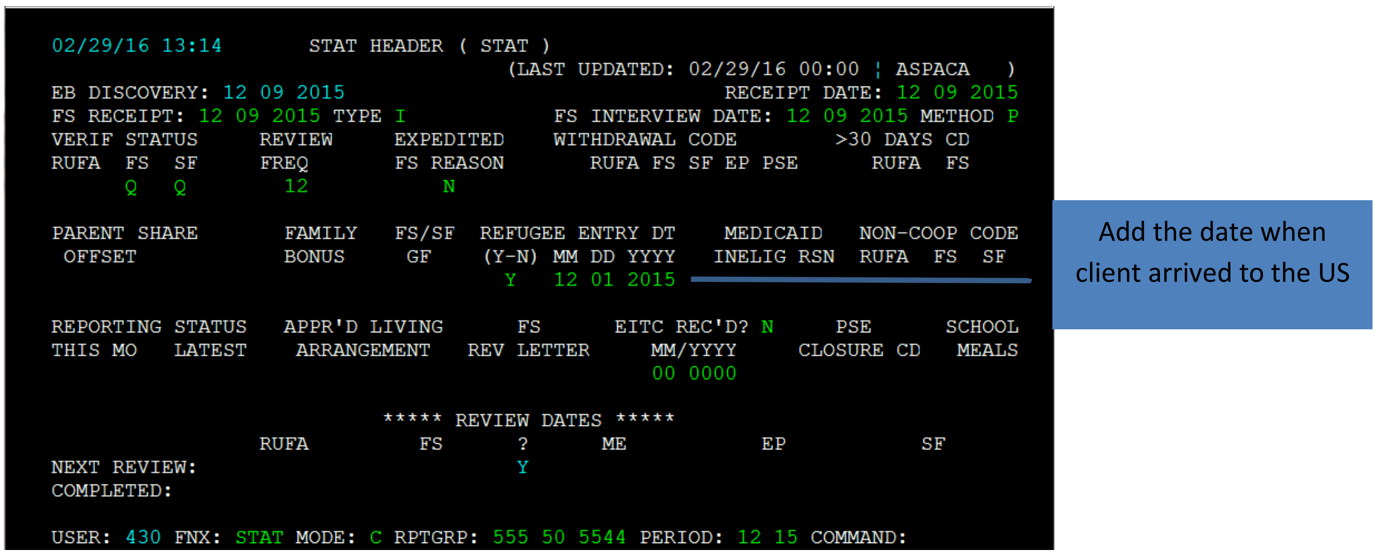
P-3010 Refugee Case Procedure for Reach Up Applicants

A. General Procedures (Continued)

4. SAVES request complete

- Print verification that SAVES have been completed and send it to Onbase.
- Enter CATNs stating the outcome of the SAVES report
- If eligible refugee and authorized for employment, updated ACCESS as follows:

STAT panel: Refugee Entry DT (Y-N) MM DD YYYY



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FS RECEIPT: 12 09 2015 TYPE I             FS INTERVIEW DATE: 12 09 2015 METHOD P
VERIF STATUS      REVIEW     EXPEDITED    WITHDRAWAL CODE       >30 DAYS CD
RUFA  FS   SF     FREQ       FS REASON       RUFA FS SF EP PSE      RUFA  FS
      Q    Q        12             N

PARENT SHARE        FAMILY   FS/SF  REFUGEE ENTRY DT    MEDICAID   NON-COOP CODE
 OFFSET             BONUS     GF     (Y-N)  MM DD YYYY  INELIG RSN  RUFA  FS  SF
                                      Y    12 01 2015

REPORTING STATUS   APPR'D LIVING      FS       EITC REC'D? N      PSE      SCHOOL
THIS MO   LATEST    ARRANGEMENT   REV LETTER      MM/YYYY     CLOSURE CD   MEALS
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                          ***** REVIEW DATES *****
                 RUFA         FS       ?      ME           EP           SF
NEXT REVIEW:                           Y
COMPLETED:

USER: 430 FNX: STAT MODE: C RPTGRP: 555 50 5544 PERIOD: 12 15 COMMAND:
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P-3010 Refugee Case Procedure for Reach Up Applicants

A. General Procedures (Continued)

4. SAVES request complete (Continued)

MEMB panel: CODE: 1 NBR: 212 XX XXXX STATUS: 03 entry date: xx-xx-xxxx