DEPARTMENT POLICY

Supplemental Nutrition Assistance Program (SNAP) Only

Bridges use certain expenses to determine net income for SNAP eligibility and benefit levels.

- For groups with **no** senior/disabled/disabled veteran (SDV) member, Bridges uses the following:
  - Dependent care expense.
  - Excess shelter up to the maximum in Reference Tables Manual (RFT) 255.
  - Court ordered child support and arrearages paid to non-SNAP group members.
- For groups **with** one or more SDV member, Bridges uses the following: see Bridges Eligibility Manual (BEM) 550, FAP Income Budgeting:
  - Dependent care expense.
  - Excess shelter.
  - Court ordered child support and arrearages paid to non-group members.
  - Medical expenses for the SDV member(s) that exceed $35.

ALLOWABLE EXPENSES

An expense is allowed if all the following:

- The service is provided by someone outside of the SNAP group.
- Someone in the SNAP group has the responsibility to pay for the service in money.
- Verification is provided, if required.

Responsibility to Pay

Responsibility to pay means the expense is in the name of a person in the SNAP group.

Exception: If the expense is in someone else's name, allow the expense if the SNAP group claims the expense **and** the service address on the bill is where they live.

Do **not** allow any expense if the entire expense is directly paid by an agency or someone outside of the group.

An expense that is fully reimbursed is not allowed; see BEM 500, Reimbursements.

If an expense is partially reimbursed or paid by an agency or someone outside of the SNAP group, allow **only** the amount the group is responsible to pay, **unless** specific policy directs otherwise.

Example 1: HUD pays $150 toward a SNAP group's $325 rental expense. Allow only the $175 ($325 rent - $150 HUD pays = $175) that the group is expected to pay.

Example 2: Natalie's rental amount is $400 per month. Natalie's mother pays $200 every month directly to the landlord. Natalie is allowed a $200 rental expense.

Shared Expenses

Allow only the SNAP group's portion of child support, medical or dependent care expenses if another person outside of the SNAP group is jointly responsible. If the SNAP group's share can be identified, allow that portion. Otherwise, the expense is evenly prorated among the groups responsible for it and the SNAP group's prorated share is allowed.

Note: The heat and utility standard and the individual utility standards are **never** prorated, even if the expense is shared. Refer to the following sections found in this item:

- Mandatory heat and utility standard.
- Mandatory individual standards.

Member Removal

The expenses of a SNAP member who is no longer living with the group are removed when the member removal is processed.

Verification

The Michigan Department of Health and Human Services (MDHHS) must verify the responsibility to pay, and the amount of certain expenses; see the individual expense policy for verification requirements. Document verification used in the case record.

Do **not** budget expenses that require verification until the verification is provided. Determine eligibility and the benefit level without an expense requiring verification if it cannot be verified.

Note: Do **not** include a medical expense that might be covered by a reimbursement if the amount of the reimbursement cannot be verified.

Treat subsequently provided verification from an eligible SNAP group as a change. A supplement for lost benefits is issued **only** if the expense **could not** be verified within 30 days of the application and the local office was at fault.

BUDGETING EXPENSES

Budget Month

Expenses are used from the same calendar month as the month for which benefits are being determined.

Example: June expenses are used to determine June's benefits.

Expenses remain unchanged until the SNAP group reports a change; see Bridges Administrative Manual (BAM 220), Change Processing.

Determining the Monthly Amount

Bridges converts all expenses to a nonfluctuating monthly amount.

Exception: One-time only expenses the group does not wish to average or those which must be manually converted and entered as a monthly amount in Bridges.

The same conversion method is used to determine countable available income in BEM 505, Prospective Budgeting/Income Change Processing. Bridges will convert a(n):

- Weekly expense, multiply the average weekly expense by 4.3.
- Twice a month expense, multiply the average weekly expense by 2.
- Every other week expense, multiply the average expense by 2.15.
- Yearly expense, average the bill over 12 months beginning with the first billing of the year.
- Quarterly expense, average the bill over three months.
- Expense billed less often than monthly. Bridges will average the one-time-only expense over the balance of the benefit period or over the period of time the group/individual has the responsibility to pay. The expense is allowed, beginning with the first benefit month the change can affect.

Example: Groups that have 24-month benefit periods must be given options for one-time-only medical expenses; see *Medical Expenses* in this item.

Home Equity Loan Expense

To determine the countable monthly expenses for a home equity loan, use either:

- The entire amount (principal and interest) for a fixed, non-fluctuating home equity loan.
- The average of two or more recent month's payments (principal and interest) for a variable home equity loan payment, **unless** the SNAP group states the payment amount is different for the benefit month being determined.

Document in the case record or in Bridges what months were used and why they were representative.

Non-Converted Expenses

Expenses that will not continue beyond the month following the benefit month being processed are not converted.

Budget **non-converted** expenses for the month they are billed or otherwise become due, regardless of when the SNAP group intends to pay the expense.

Non-converted expenses are budgeted for **one** benefit month only.

Expenses for Disqualified or Ineligible Persons

The treatment of expenses paid by or billed to ineligible or disqualified persons differs depending on the reason the person is not in the group.

Determine the appropriate month's expenses for a disqualified or ineligible person as if he were a member of the SNAP group.

Student

Expenses for which the ineligible student is responsible are not budgeted.

Employment Related Activities, IPV, Trafficking, Parole or Probation Violation, Fleeing Felon or Divestment

Budget total expenses, including medical expenses of a senior, disabled, disabled veteran (SDV) disqualified person. Allow unlimited excess shelter even if the only SDV member is the disqualified person.

Social Security Enumeration, Citizenship/Non-Citizen Status, or Time Limited

The mandatory heat and utility standard, mandatory individual standards, and actual utility expenses are never prorated. However, only a prorated portion for dependent care expenses, child support expenses, and shelter expenses is allowed.

To determine the prorated amount to allow:

1. Divide the expense evenly by the number of group members, including the disqualified person(s) living with the SNAP group.
2. Multiply the result by the number of eligible group members.

Example: One person in the group is disqualified with a child support expense of $200.00 per month. The total group size is 4. Bridges divides $200.00 by 4, which equals $50.00. It then

multiplies $50.00 by 3 eligible group members which equals $150.00 and allows a child support expense of $150.00.

Bridges does **not** allow:

- Medical expenses for SDV disqualified persons.
- Unlimited excess shelter if the only SDV member is disqualified.

CHILD SUPPORT EXPENSES

The following child support expenses are allowed:

- The amount of court-ordered child support and arrearages paid by the group member(s) to non-group members in the benefit month.
- Court-ordered third-party payments (landlord or utility company) on behalf of a non-group member.
- Legally obligated child support paid to an individual or agency outside the group, for a child who is now a group member, provided the payments are not returned to the group.

Do not allow more than the legal obligation if the individual is up to date on their child support payments. However, if they are behind and making arrearage payments, allow the total amount paid even if it exceeds the court-ordered amount. Current and arrearage child support expenses must be paid to be allowed.

Verification

Verify child support expenses and arrearages paid to non-group members at application and redetermination. All the following must be verified:

1. The group's legal obligation to pay.
2. The monthly amount of the obligation for current child support.
3. The amount of child support the group actually pays.

When a change in a child support expense(s) is reported and not verified, the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first). If the group provides the needed expense verification, the expense must be updated.

Current payments must be entered separately from arrearage payments on Bridges. A separate arrearage order is not needed to allow arrearage payments. If MDHHS verifies child support payments are court ordered, the original court order also serves as verification of the arrearage.

Verification Sources

Acceptable verification sources include, but are **not** limited to:

- For the group's legal obligation to pay and current obligation amount:
  - Court or administrative order.
  - Legally enforceable separation agreement.
- For the group's actual child support and arrearages paid:
  - Wage withholding statements (paycheck stub).
  - Verification of withholding from unemployment compensation or other unearned income.
  - Statements from the custodial parent regarding direct payments.
  - Statements from the custodial parent regarding third party payments the noncustodial parent pays or expects to pay on behalf of the custodial parent.
  - Data obtained from the state's Child Support Enforcement System (MICSES).

Note: Documents that are accepted as verification of the group's legal obligation to pay child support and arrearages are **not** acceptable as verification of the group's actual monthly payment.

DEPENDENT CARE EXPENSES

Allow an **unreimbursed** dependent care expense for a child under the age of 18 or an adult of any age who is incapacitated and a member of the SNAP group, when such care is necessary to enable a member of the SNAP group to work. This is the amount the SNAP group actually pays out-of-pocket. The expense does **not** have to be paid to be allowed. Allow only the amount the provider expects the group to pay out-of-pocket. Work includes

seeking, accepting or continuing employment, or training or education preparatory to employment.

Note #1: Unreimbursed dependent care expenses may also include:

- Preschool.
- Activity fees associated with the care provided to the dependent such as taking an art class for an after-school program, an adult day care program, or additional equipment fees charged for attending a sports camp.
- Cost of transportation to and from dependent care facilities incurred by the group.
    - Use cents-per-mile to determine the transportation expense.
    - Go to the Michigan Department of Management and Budget at www.michigan.gov/dtmb, select Services then select Travel. On the travel page, select Travel Rates in Cost cities for the current year then use Premium Rate under Mileage Rates.

Note #2: The dependent care expense must be manually converted into a monthly amount.

Case Management Tip: Be especially careful in following the above dependent care expense budgeting policy if the group's dependent care is reimbursed by the Child Development and Care program (CDC) or another agency or person.

Verification

Verify dependent care expenses at application and redetermination.

When a change in a dependent care expense(s) is reported and not verified, the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first). If the group provides the needed expense verification, the expense must be updated.

Verification Sources

Acceptable verification sources include, but are not limited to:

- Bills or written statement or collateral contact with the provider for the dependent care expenses including activity fees.
- Written statement from the group on the number of miles from home to the facility and use the same miles from the facility to home.

MEDICAL EXPENSES

Application and Redetermination

Consider **only** the medical expenses of SDV individuals in the eligible group or SDV individuals disqualified for certain reasons; see Expenses for Disqualified or Ineligible Persons in this item. Estimate an SDV individual medical expenses for the benefit period. Base the estimate on all the following:

- Verified allowable medical expenses.
- Available information about the SDV individual's medical condition and health insurance.
- Changes that can be anticipated to occur during the benefit period.

Standard Medical Deduction (SMD)

An SDV group that has a verified one-time or ongoing medical expense(s) of more than $35 for an SDV individual(s) will receive the SMD. The SMD is $205. If the group has actual medical expenses which are more than the SMD, they have the option to verify their actual expenses instead of receiving the SMD.

Example 1: Mickey has monthly an ongoing medical expense totaling $36 dollars and verifies the medical expense. After subtracting $35, there is a remaining balance of $1. The SMD will be included in the budget.

Example 2: Corbin has verified monthly medical expenses of $250. After subtracting $35, there is a remaining balance of $215, which is more than the $205 SMD. The group will receive the higher medical expense of $215.

Example 3: Using the above example, Corbin only returns verifications in the amount of $50. Since the verified expenses are less than the SMD, the group will receive the SMD in the budget.

During the Benefit Period

A SNAP group is not required to but may voluntarily report changes during the benefit period. Process changes during the benefit period **only** if they are one of the following:

- Voluntarily reported and verified during the benefit period such as expenses reported and verified for an MA deductible.
- Reported by another source and there is sufficient information and verification to determine the allowable amount without contacting the SNAP group.

One-Time-Only Expenses

SNAP groups that do not have a 24-month benefit period may choose to budget a one-time-only medical expense for: one month or average it over the balance of the benefit period. Bridges will allow the expense in the first benefit month the change can affect.

SNAP groups that have 24-month benefit periods must be given the following options for one-time-only medical expenses billed or due within the first 12 months of the benefit period:

1. Budget it for one month.
2. Average it over the remainder of the first 12 months of the benefit period.
3. Average it over the remainder of the 24-month benefit period.

Example: Sally has a $1,200 emergency room bill in 11/08. It is not covered by Medicaid, or any medical insurance and the first bill for this service was received in 1/09. The SNAP benefit period is 10/1/08 through 9/30/10. Sally can elect to:

- Apply the entire $1,200 deduction to affect 2/09 benefits. This would probably increase SNAP to the maximum amount for that one month.
- Apply $150 per month ($1,200 bill divided by 8 months remaining in the first 12 months of the benefit period) to affect

2/09 through 9/09. This would probably increase SNAP benefits by $50 per month for eight months.

- Apply $60 per month ($1,200 bill divided by 20 months remaining in the benefit period) to affect 2/09 through 9/10. This would probably increase SNAP benefits by $20 for 20 months. (If Sally were within $20 of the maximum, this option would benefit the group the most.)

Allowable Medical Expenses

Allowable medical expenses are limited to the following:

- Medical and dental care including psychotherapy and rehabilitation services provided by a licensed practitioner authorized by State law or other qualified health professional.
- Hospitalization or nursing care. Include these expenses for a person who was a group member immediately prior to entering a hospital or nursing home.
- Prescription drugs and the postage for mail-ordered prescriptions.
- Costs of medical supplies, sickroom equipment (including rental) or other prescribed medical equipment (excluding the cost for special diets).
- Over-the-counter medication (including insulin) and other health-related supplies (bandages, sterile gauze, incontinence pads, etc.) when recommended by a licensed health professional.

  Note: Eyeglasses when prescribed by an ophthalmologist (physician-eye specialist) or optometrist.
- Premiums for health and hospitalization policies (excluding the cost of income maintenance type health policies and accident policies, also known as assurances). If the policy covers more than one person, allow a prorated amount for the SDV person(s).
- Medicare premiums.
- Dentures, hearing aids and prosthetics.

- The cost of securing and maintaining a seeing eye or hearing dog, or other service animal used to assist an SDV individual with a specific verified medical need(s). Allowable costs include animal food, veterinary bills, and other expenses necessary to maintain the service animal.

  The service animal **must** be specially trained to serve the specific verified medical need(s) of an SDV individual. However, verification of the specialized training is not required.

  Note: An existing pet or companion animal does not automatically become a service animal, unless specifically trained.

- Actual costs of transportation and lodging necessary to secure medical treatment or services. If actual costs **cannot** be determined for transportation, allow the cents-per-mile amount at the standard mileage rate for a privately owned vehicle in lieu of an available state vehicle. To find the cents-per-mile amount go to the Michigan Department of Management and Budget at https://www.michigan.gov/dtmb/services/travel, select Services & Facilities from the left navigation menu, then select Travel. On the travel page, choose Travel Rates and High-Cost Cities using the rate for the current year.

- The cost of employing an attendant, homemaker, home health aide, housekeeper, home help provider, or child care provider due to age, infirmity or illness. This cost must include an amount equal to the maximum SNAP benefits for one person if the SNAP group provides most of the attendant's meals. If this attendant care cost could qualify as both a medical expense and a dependent care expense, it **must** be treated as a medical expense.

- A Medicaid deductible is allowed if the following are true.

  - The medical expenses used to meet the Medicaid deductible are allowable SNAP expenses.

  - The medical expenses are not overdue. See below.

Note: Medical marijuana is **not** an allowable medical expense.

Estimating and Determining an Allowable Medical Expense

Estimate an SDV person's medical expenses for the benefit period. The expense does **not** have to be paid to be allowed. Allow medical expenses when verification of the portion paid, or to be paid by insurance, Medicare, Medicaid, etc. is provided. Allow **only** the non-reimbursable portion of a medical expense. The medical bill cannot be overdue.

The medical bill is **not** overdue if one of the following conditions exists:

- Currently incurred (for example, in the same month, ongoing, etc.).
- Currently billed (individual is receiving the bill for the first time for a medical expense provided earlier and the bill is not overdue).
- Individual made a payment arrangement before the medical bill became overdue.

VERIFICATION

Verify allowable medical expenses, including the **amount of reimbursement,** at application and redetermination. Groups that continue to have a medical expense(s) that allow them to receive the SMD, will not need to reverify the expense at redetermination, unless questionable.

Verify reported changes in the source or amount of medical expenses if the change would result in an increase in benefits.

When a change in a medical expense(s) is reported and not verified, the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first). If the group provides the needed expense verification, the expense must be updated.

Do not verify other factors, unless questionable. Other factors include things like the allowability of the service or the eligibility of the person incurring the cost.

Verify the specific need for a service animal.

VERIFICATION SOURCES

Acceptable verification sources include, but are not limited to:

- Current bills or written statement from the provider, which show all amounts paid by, or to be paid by, insurance, Medicare, or Medicaid.
- Insurance, Medicare, or Medicaid statements which show charges incurred and the amount paid, or to be paid, by the insurer.
- DHS-54A, Medical Needs, completed by a licensed health care professional.
- SOLQ for Medicare premiums.
- Written statements from licensed health care professionals.
- Collateral contact with the provider. (Most commonly used to determine cost of dog food, over-the-counter medication and health-related supplies, and ongoing medical transportation).

SHELTER EXPENSES

Allow a shelter expense when the SNAP group has a shelter expense or contributes to the shelter expense. When shelter expenses are shared, groups are only allowed the amount they contribute. Shelter expenses are allowed when billed. The expenses do **not** have to be paid to be allowed.

Late fees and/or penalties incurred for shelter expenses are **not** an allowable expense.

Example: Sally receives SNAP and the total monthly rental amount is $700. Sally's roommate, who is not in the SNAP group pays $500 to the landlord. Sally has a rental expense of $200.

Note: When a shelter expense is paid in advance, continue to allow the ongoing monthly shelter expense. Example: An individual’s monthly shelter expense is $300. They pay $900 to the landlord to cover the months of April-June. Continue to allow the monthly shelter obligation of $300 in the SNAP budgets for April-June.

Homeless Shelter Deduction

Groups in which all members are homeless may receive a homeless shelter deduction; see RFT 255, Food Assistance Standards, if they have a shelter expense.

The SNAP group has the choice between using their actual shelter expense(s) or the homeless shelter deduction.

Example 1: Alivia and children are at a domestic violence shelter, and they do not have any shelter expenses. Since they do not have any shelter expenses, they do not qualify for the HSD.

Example 2: Connor and Sandy sleep on a park bench. They are responsible for a telephone expense. Their specialist inquires if they want to have the telephone standard or the HSD in their budget. Once the specialist explained the two different amounts, the group chose the HSD.

Housing Expenses

Housing expenses include rent, mortgage, a second mortgage, home equity loan, required condo or maintenance fees, lot rental or other payments including interest leading to ownership of the shelter occupied by the SNAP group.

The expense must be a continuing one. Payments that exceed the normal monthly obligation are **not** deductible as a shelter expense unless the payment is necessary to prevent eviction or foreclosure, **and** it has **not** been allowed in a previous SNAP budget. Additional expenses for optional charges, such as carports, pets, etc. are **not** allowed.

Note: Some finance companies or banks may combine billings for allowable shelter expenses with other loans. Be careful to only allow the portion that is an allowable shelter expense. Home equity loans are allowable, see *Determining the Monthly Amount, Home Equity Loan Expense* in this item.

Temporary Housing

If FIP or SDA shelter vendor payments are made on behalf of a SNAP group residing in **temporary housing** per BEM 500, Income Overview, subtract the vendor payment from the total shelter amount to determine the allowable shelter expense.

Rental Income Situations

Do **not** deduct the cost of doing business from the shelter expense of a SNAP group with rental income.

Property Taxes, Assessments, and Insurance

Property taxes, state and local assessments and insurance on the structure are allowable expenses. Do **not** allow insurance costs for the contents of the structure, for example, furniture, clothing, and personal belongings.

Allow the entire insurance charge for structure and contents when the amount for the structure cannot be determined separately.

Renter's insurance is **not** allowed.

Home Repair Expenses

Allow charges for repairing a home which was substantially damaged or destroyed due to a natural disaster such as fire or flood.

Note: Do **not** allow any portion of an expense that has been or will be reimbursed by any source.

Verification

If considered questionable, verify shelter expenses at application.

If a change in a shelter expense(s) that is **not** associated with an address change is reported and is questionable, the expense is held and addressed at the next semi-annual or redetermination (whichever comes first).

If the group fails to verify a questionable reported change in shelter at semi-annual, mid-certification or redetermination, remove the old expense until the new expense is verified.

If a change in shelter expense(s) that **is** associated with an address change is reported and is questionable, when to request verification will depend on the following:

- If the CSCD on the *Household Address* screen for the physical address is less than 60-days from the date the change is processed:

- If the group is a change reporter, a MDHHS-3688 or a VCL must be sent.
- If the group is a simplified reporter, the expense is held and addressed at the next semi-annual or redetermination (whichever comes first). If the group provides the needed shelter information, the expense must be updated.

- If the CSCD on the *Household Address* screen for the physical address is 60-days or more from the date the change is processed, for change reporters and simplified reporters, the expense is held and addressed at the next semi-annual or redetermination (whichever comes first).

If the group fails to verify a questionable reported change in shelter at semi-annual, mid-certification or redetermination, remove the old expense until the new expense is verified.

If questionable, verify the expense **and** the amount for housing expenses, property taxes, assessments, insurance, and home repairs based on the above criteria.

Note: Adult Foster Care Homes (AFC), Center for Substance Abuse Services (CSAS) and CMH/MDHHS Supported Community Living Facilities still require verification.

Verification Sources

Acceptable verification sources include, but are **not** limited to:

- Mortgage, rental or condo maintenance fees contracts or a statement from the landlord, bank, or mortgage company.
- Copy of tax, insurance, assessment bills or a collateral contact with the appropriate government or insurance office.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address if verifying shelter, the provider of the service and the name of the person paying the expense.
- MDHHS-3688, Shelter Verification form. When a change of address is done in Bridges, and the question on the Household Address page “Does a Shelter Verification form need to be sent for SNAP?” is answered YES, a copy of this form will be

sent to the SNAP group, and a task and reminder is created for a specialist to follow up. Address whether the form is returned when the task and reminder is received and take appropriate action.

- Current lease.

MANDATORY HEAT AND UTILITY STANDARDS

The heat/utility (h/u) standard covers all heat and utility costs including cooling, **except** actual utility expenses, for example, installation fees etc.; see *Actual Utilities* in this item. Do **not** prorate the h/u standard even if the heating/cooling expense is shared.

SNAP groups that qualify for the h/u standard **do not** receive any other individual utility standards. Do **not** require verification, unless questionable of the other utility standards if the group is already eligible for the h/u standard.

Note: SNAP SDV groups whose heat is included in their rent may still qualify for the h/u standard. Some additional ways include, but are not limited to, receipt of the Home Heating Credit (HHC) or a Low-Income Home Energy Assistance Payment (LIHEAP). The amount of either payment must be greater than $20 in the month of application or in the immediately preceding 12 months prior to the application month.

Heating Separate from Housing Costs

A SNAP group which has a heating expense or contributes to the heating expense separate from rent, mortgage or condominium/maintenance payments must use the h/u standard.

Heat Verification

If questionable, verify heating separate from housing costs at application. If a change in the heat expense is reported and is questionable but not verified, the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first). If the group provides the needed expense verification, the expense must be updated.

Exception: For groups that have verified that they own or are purchasing the home that they occupy, verify the heat obligation only if questionable.

Heat Verification Sources

If questionable, acceptable verification sources include, but are not limited to:

- Current bills or a written statement from the provider for heating/cooling expenses.
- Collateral contact with the landlord or the heating/cooling provider.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense.
- MDHHS-3688, Shelter Verification.
- Current lease.

Cooling Separate from Housing Costs

SNAP groups who pay for cooling (including room air conditioners) are eligible for the h/u standard if, they have the responsibility to pay for non-heat electric.

Verification

If questionable, verify non-heat electric at application. If a change in the non-heat electric expense is reported and is questionable but not verified, the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first). If the group provides the needed expense verification, the expense must be updated.

Verification Sources

Acceptable verification sources include, but are not limited to:

- Current bills or a written statement from the provider for electric expenses.

- Collateral contact with the electric provider.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense.
- MDHHS-3688, Shelter Verification.
- Current lease.

Heat Included in Rent or Fees

Note: SNAP groups whose heat is **included** in their rent or fees are not eligible for the h/u standard, **unless** they are billed for **excess heat** payments from their landlord.

Verification

If questionable, verify the excess heat expense at application. If a change in the excess heat expense is reported and is questionable but not verified, the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first). If the group provides the needed expense verification, the expense must be updated.

Verification Sources

Acceptable verification sources include, but are not limited to:

- Current bills or a written statement from the landlord for excess heat expenses.
- Collateral contact with the landlord.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense.

Home Heating Credit (HHC)

New Applications

SNAP SDV groups, who have received an HHC in an amount greater than $20 in the application month or in the immediately preceding 12 months prior to the application month are eligible for the h/u standard.

Verification Sources

Acceptable verification sources include, but are not limited to:

- Bridges inquiry. (HHC Approved Client Inquiry).
- Letter from provider.
- Collateral contact with provider.
- Copy of HHC warrant.

Existing SNAP Groups

SNAP SDV groups who are at redetermination and have received an HHC in an amount greater than $20 in the certification month or in the immediately preceding 12 months prior to the certification month are eligible for the h/u standard.

Verification

If questionable, verify receipt of HHC at application and redetermination. If a change in HHC expense is reported and is questionable: but not verified, the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first). If the group provides the needed expense verification, the expense must be updated.

Low Income Home Energy Assistance Payment (LIHEAP)

New Applications

SNAP SDV groups who have received a LIHEAP payment, or a LIHEAP payment was made on their behalf in an amount greater than $20 in the application month or in the immediately preceding 12 months prior to the application month are eligible for the h/u standard.

Existing SNAP Groups

SNAP SDV groups who are at redetermination and have received a LIHEAP payment or a LIHEAP payment was made on their behalf in an amount greater than $20 in the certification month or in the immediately preceding 12 months prior to the certification month are eligible for the h/u standard.

LIHEAP payments may include State Emergency Relief (SER) energy-related payments or Michigan Energy Assistance Program (MEAP) payments.

Verification

If questionable, verify receipt of a LIHEAP payment at application and redetermination. If a change in LIHEAP payment is reported and is questionable but not verified, the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first). If the group provides the needed expense verification, the expense must be updated.

Verification Sources

Acceptable verification sources include, but are not limited to:

- Bridges Inquiry (benefit issuance for energy related SER).
- Letter from provider.
- Collateral contact with provider.
- Proof of LIHEAP payment.

Electricity Included in Rent or Fees

SNAP groups whose electricity is **included** in their rent or fees are not eligible for the h/u standard **unless** their landlord bills them separately for excess cooling.

Verification

If questionable, verify separate excess cooling expense at application. If a change in the separate excess cooling expense is reported and is questionable but not verified, the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first). If the group provides the needed expense verification, the expense must be updated.

Verification Sources

Acceptable verification sources include, but are not limited to:

- A written statement from the landlord for separate cooling expense.
- Collateral contact with the landlord.

Shared Meters or Expenses

If the SNAP group has **any** responsibility for the heating/cooling expense, use the h/u standard.

Verification

If questionable, verify the heating/cooling expense at application. If a change in the heating/cooling expense is reported and is questionable but not verified, the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first). If the group provides the needed expense verification, the expense must be updated.

Verification Sources

Acceptable verification sources include, but are not limited to:

- Current bills or a written statement from the landlord.
- Collateral contact with the landlord.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense.

MANDATORY INDIVIDUAL STANDARDS

SNAP groups not eligible for the h/u standard who have other utility expenses or contribute to the cost of other utility expenses are eligible for the individual utility standards. Use the individual standard for each utility the SNAP group has responsibility to pay. Do **not** prorate the utility standard even if the expense is shared.

Non-Heat Electric Standard

A SNAP group which has no heating/cooling expense but has a responsibility to pay for non-heat electricity separate from rent/mortgage or condo/maintenance fees must use the non-heat electric standard. The standard covers **only** non-heat electric.

Verification

If questionable, verify non-heat electric expense at application. If a change in the non-heat electric is reported and is questionable but not verified, the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first). If the group provides the needed expense verification, the expense must be updated.

Verification Sources

Acceptable verification sources include, but are not limited to:

- Current bills or a written statement from the provider for electric expenses.
- Collateral contact with the electric provider.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense.
- MDHHS-3688, Shelter Verification.
- Current lease.

Water and/or Sewer Standard

A SNAP group which has no heating/cooling expense but has a responsibility to pay for water and/or sewer separate from rent/mortgage or condo fees, must use the water and/or sewer standard. The standard covers **only** water and/or sewer expenses.

Verification

Do **not** verify the water or sewer expense, unless questionable; see BAM 130, Verification and Collateral Contact, regarding verification of questionable data.

Verification Sources

Acceptable verification sources include, but are not limited to:

- Current bills or a written statement from the provider for water or sewer expenses.
- Collateral contact with the water or sewer provider.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense.

Telephone Standard

A SNAP group which has no heating/cooling expense but has a responsibility to pay for a traditional land-line service, cellular phone service including per-minute or per-call service and voice over Internet protocol (VoIP) must use the telephone standard. The standard covers **only** the telephone expense.

Verification

Do not verify the telephone expense, unless questionable; see BAM 130 regarding verification of questionable data.

Verification Sources

Acceptable verification sources include, but are **not** limited to:

- Current bills or a written statement from the telephone provider.
- Collateral contact with the telephone provider.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense.

Cooking Fuel Standard

A SNAP group which has no heating/cooling expense but has a responsibility to pay for cooking fuel separate from rent/mortgage or condo fees must use the cooking fuel standard. The standard covers **only** cooking fuel expenses.

Verification

Do not verify the cooking fuel expense, unless questionable; see BAM 130 regarding verification of questionable data.

Verification Sources

Acceptable verification sources include, but are not limited to:

- Current bills or a written statement from the provider for cooking fuel expenses.
- Collateral contact with the cooking fuel provider.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense.

Trash Removal Standard

A SNAP group which has no heating/cooling expense but has a responsibility to pay for trash or garbage removal separate from rent/mortgage or condo fees must use the trash removal standard. The standard covers **only** trash removal.

Verification

Do not verify the trash or garbage removal expense, unless questionable; see BAM 130.

Verification Sources

If the trash or garbage removal expense is questionable, acceptable verification sources include, but are not limited to:

- Current bills or a written statement from the provider for trash removal.

- Collateral contact with the trash removal provider.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense.

ACTUAL UTILITY EXPENSES

Actual utility expenses will be used for the following expenses only:

- Utility installation charges (not deposits).
- Water well installation and maintenance.
- Septic installation and maintenance.

Note: Do **not** allow an actual utility expense for reconnection fees after service has been turned off for the same people at the same address.

Verification

Verify the actual utilities at application and redetermination. When a change in actual utilities is reported the expense is held and addressed at the next semi-annual, mid-certification or redetermination (whichever comes first).

Verification Sources

Acceptable verification sources include, but are not limited to:

- Current bills or a written statement from the provider.
- Collateral contact with the provider.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense.

Actual utility expenses will be used for the following expenses only:

- Utility installation charges (not deposits).
- Water well installation and maintenance.
- Septic installation and maintenance.

Note: Do not allow an actual utility expense for reconnection fees after service has been turned off for the same people at the same address.

SHELTER COSTS FOR UNOCCUPIED HOME

Allow shelter costs for a home temporarily unoccupied by the SNAP group due to:

- Employment or training away from home.
- Illness.
- Abandonment caused by a natural disaster or casualty loss.

Include shelter costs for a temporarily unoccupied home, provided all the following are true:

- The SNAP group intends to return to the home.
- The current occupants of the home, if any, are **not** claiming shelter costs on that home for SNAP purposes.
- The home is **not** being leased or rented to others during the SNAP group's absence.

Allowable Expenses

Allow the following expenses:

- Basic shelter expenses as described above.
- Heat and Utility Standard, or individual utility standards.
- Utility installation fees charged by the utility provider, excluding deposits.
- Well/septic installation and maintenance.

Exception: Heat and utility expenses may only be claimed for one home.

Verification

If questionable, the shelter and heat and utility expenses must be verified.

Verification Sources

Acceptable verification sources include, but are not limited to:

- Current bills or a written statement from the provider for electric expenses.
- Collateral contact with the electric provider.
- Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense.
- MDHHS-3688, Shelter Verification.
- Current lease.

SNAP ALLOWABLE EXPENSES - DESK AID

Expense	Action
Ineligible student has expense?	If no, go to the next section. If yes, do not allow the expense.
Disqualified due to: • Lack of SSN, non-citizen status. • Time limited, child support. Has expense?	If no, go to the next section. If yes, allow the heat, and utility expenses. **Note:** Prorate other expenses, such as shelter, dependent care expenses, and child support expenses between the group members. Allow the prorated portion designated for the eligible group members.
Disqualified due to: • IPV. • Employment related. • Divestment. Has expense?	If no, go to the next section. If yes, allow full expense.
Receives subsidized housing?	If no, go to the next section. If yes, allow only the portion of the rent for which the group is responsible.
Verifications.	**If questionable, required** at application and reported change. (See applicable section to determine when to request verification.) **Acceptable verifications:** • MDHHS-3688. • Current lease. • Rent receipt. • Collateral contact with the landlord. • Statement from HUD. **Note**: These types of verifications must identify the group member and the group's address and obligations.
Housing/rent responsibility?	If no, do not allow an expense. Go to the next section. If yes, allow the expense. Do not allow late fees, penalties, or one-time deposits.

Expense	Action
Verifications.	**If questionable, required** at application and reported change. (See applicable section to determine when to request verification.) **Acceptable verifications:** • MDHHS-3688. • Current lease. • Rent receipt. • Collateral contact with landlord. **Note**: These types of verifications must identify the group's address and obligations.
Homeless Shelter Deduction?	If a group is homeless and chooses the homeless shelter standard; see RFT 255, Food Assistance Standards.
Purchasing home or ownership responsibility?	If no, do not allow an expense. Go to the next section. If yes, allow the full expense. **Note**: 1. Allow taxes, insurance, required maintenance and condo fees the group is responsible for that are not included in the mortgage payment. 2. Do not allow late fees or penalties.
Verifications.	**If questionable, required** at application and reported change. (See applicable section to determine when to request verification.) **Acceptable verifications:** • MDHHS-3688. • Land contract. • Tax bills. • Insurance bills. • Mortgage papers. • Assessment bills. • Collateral contact. **Note**: These types of verifications must identify the group's address and obligations.

Expense	Action
Responsible for heating expenses separate from mort-gage/rent/fees?	If no, do not allow the heat and utility (h/u) standard. Go to the next section. If yes, allow the h/u standard, which includes all the individual utility standards.
Heat Verifications.	**If questionable,** at application and reported change. (See applicable section to determine when to request verification.) **Acceptable verifications:** • MDHHS-3688. • Current lease. • Current bill that identifies the expense. • Collateral contact with the landlord or provider. **Note:** 1. Verify the heat obligation only if questionable for groups that have verified that they own or are purchasing the home they occupy. 2. If the heating bill is in someone else's name, allow the expense if the group claims the expense and the service address on the bill is where the SNAP group lives.
Responsible for cooling expenses separate from rent/fees?	If no, do not allow the h/u standard. Go to the next section. If yes, allow the h/u standard, which includes all the individual utility standards if the group has a non-heat, -electric expense.

Expense	Action
Cooling Verifications	**If questionable,** at application and reported change. (See applicable section to determine when to request verification.) **Acceptable verifications**: • MDHHS-3688. • Current lease. • Current bill that identifies the expense for the SNAP group. • Collateral contact with the landlord or provider. **Note**: If the non-heat electric bill is in someone else's name, allow the expense if the group claims the expense and the service address on the bill is where the SNAP group lives.
Heat included in rent/fees, but responsible for: • Excess heat costs.	If no, do not allow the heat and utility standard. Go to the next section. If yes, allow the h/u standard.
Excess heat verifications.	**If questionable,** at application and reported change. (See applicable section to determine when to request verification.) **Acceptable verifications**: • Current bills or written statement from the landlord. • Collateral contact with the landlord. • Cancelled checks, receipts, or money order copies, if current.
Receipt of HHC in an amount greater than $20 in the current month or preceding 12 months by an individual in a SNAP SDV group.	If no, do not allow h/u standard. Go to the next section. If yes, allow the h/u standard.
HHC verifications	**If questionable,** at application, redetermination and reported change. (See applicable section to determine when to request verification.) **Acceptable verifications:** • Bridges inquiry. (HHC Approved Client Inquiry). • Letter from provider. • Collateral contact with provider. • Copy of HHC warrant.

Expense	Action
Receipt of LIHEAP payment or a LIHEAP payment was made on the SNAP SDV group's behalf in an amount greater than $20 in the current month or immediately preceding 12 months. (energy related SER or MEAP)	If no, do not allow h/u standard. Go to next section. If yes, allow the h/u standard.
LIHEAP payment verification.	**If questionable,** at application, redetermination and reported change. (See applicable section to determine when to request verification.) **Acceptable verifications:** • Bridges inquiry. (Benefit issuance for energy related SER.) • Letter from provider. • Collateral contact with provider. • Proof of MEAP payment.
Electricity included in rent/fees, but responsible for: Excess cooling costs.	If no, do not allow the heat and utility standard. Go to the next section. If yes, allow the h/u standard.
Excess cooling verifications.	**If questionable,** at application and reported change. (See applicable section to determine when to request verification.) **Acceptable verifications**: • Written statement from the landlord. • Collateral contact with the landlord.
Responsible for non-heat electric expenses and not eligible for the h/u standard?	If no, do not allow the heat and utility standard. Go to the next section. If yes, allow the non-heat electric standard.

Expense	Action
Non-heat electric verifications.	**If questionable,** at application and reported change. (See applicable section to determine when to request verification.) **Acceptable verifications**: • MDHHS-3688. • Current lease. • Current bill that identifies the expense for the SNAP group. • Collateral contact with the landlord or provider. **Note:** If the non-heat electric bill is in someone else's name, allow the expense if the group claims the expense, and the services address on the bill is where the SNAP group lives.
Responsible for water and/or sewer expenses and not eligible for the h/u standard?	If no, do not allow the heat and utility standard. Go to the next section. If yes, allow the water and/or sewer standard.
Water and/sewer verifications	Not required, unless questionable. Acceptable verifications: • Current bill that identifies the expense for the SNAP group. • Collateral contact with the landlord or provider. **Note:** If the water and/or sewer bill is in someone else's name, allow the expense if the group claims the expense and the service address on the bill is where the SNAP group lives.
Responsible for telephone, monthly cellular phone plans and not eligible for the h/u standard (Y/N)?	If no, do not allow the heat and utility standard. Go to the next section. If yes, allow the telephone standard.
Telephone verifications.	**Not** required, unless questionable. **Acceptable verifications**: • Current bill that identifies the expense for the SNAP group **and** must include at least the monthly basic fee. • Collateral contact with the provider.

Expense	Action
Responsible for cooking fuel expenses and not eligible for the h/u standard?	If no, do not allow the heat and utility standard. Go to the next section. If yes, allow the cooking fuel standard.
Cooking fuel verifications.	**Not** required, unless questionable. **Acceptable verifications**: • Current bill that identifies the expense for the SNAP group. • Collateral contact with the provider.
Responsible for trash removal expenses and not eligible for the h/u standard (Y/N)?	If no, do not allow the heat and utility standard. Go to the next section. If yes, allow the trash removal standard.
Trash removal verifications.	Not required, unless questionable. Acceptable verifications: • Current bill that identifies the expense for the SNAP group. • Collateral contact with the provider.
Actual utility expenses?	If yes, allow only the following expenses: • Utility installation charges (**not deposits**). • Water well installation and maintenance. • Septic installation and maintenance.

Expense	Action
Actual utility verifications.	Verify the actual expense at application, redetermination and reported change. (See applicable section to determine when to request verification.) Acceptable verifications include, but are not limited to: • Current bills or a written statement from the provider. • Collateral contact with the provider. • Cancelled checks, receipts, or money order copies, if current. The receipt must contain minimum information to identify the expense, the amount of the expense, the expense address, the provider of the service and the name of the person paying the expense. **Note:** Do not allow an actual utility expense for reconnection fees after the service has been turned off for the same people at the same address.

LEGAL BASE

7 CFR 273.9(d), 9(d)(6)(iii),.10(d)(6),.11(c),.21
7 CFR 273.9 (c)(10)(11)
42 USC 8621 - 8630
Michigan Low Income Heating Assistance and Shut Off Protection Act, MCL 400.1201 et. seq.
Food and Nutrition Act of 2008, as amended, Sec. 5. 7 U.S.C. 2014 H.R.1.