Shelter and Utility Expenses

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Background

States are required to maintain a payment error rate (active QC errors) under 6%. We have recently seen our rate above that level, resulting in a corrective action. This project seeks to help reduce that error rate. In addition, changes are sought to collect better expense information on cases. Also, we need to offer the homeless shelter deduction to eligible assistance groups.

Project Vision

The project will help better capture shelter and utility expenses for income maintenance programs in order to increase program integrity and lower quality control error rates.

Outcomes and Goals

- Add functionality to support shelter and utility expenses.
- Meet requirement to offer homeless shelter deduction for FoodShare when applicable.
- Collect accurate shelter and utility expenses for individuals and households.
- Reduce active QC error rate and number of errors resulting from shelter and utilities.

Shelter and Utility Expenses

Verification Policy

There is no change in shelter or utility verification policy. These items should continue to only be verified if questionable.

Functionality has been added to CWW to allow for the verification of shelter and utility expenses to become mandatory. However, this functionality will not be available at this implementation.

Homeless Shelter Deduction

The 2018 Farm Bill added a FoodShare requirement for states to give qualifying assistance groups a homeless shelter expense deduction in place of the excess shelter expense deduction. Prior to this farm bill, the deduction was a state option from which Wisconsin opted out.

Homeless Shelter Deduction

The deduction will be updated annually at mass change as the dollar amount is linked to inflation. For FFY2020 (10/1/2019-9/30/2020), the amount of the deduction will be \$152.06.

The deduction should also be accounted for when FoodShare overpayment claims are calculated. Workers will need to keep the potential for the expense as a factor when calculating the correct benefit amount during each month of the claim (before/after implementation).

Air Conditioning Surcharge

Prior to Operations Memo 19-01, air conditioning surcharges were not a FoodShare utility expense. After clarification from FNS, it is now an allowable expense. The expense is budgeted as an electric expense so would contribute towards the Electric Utility Allowance (EUA) and Limited Utility Allowance (LUA) as such. If both an electric expense and air conditioning expense are budgeted, only one will be counted towards the LUA.

FoodShare Priority Service

As noted on the previous slide, the air conditioning surcharge will be factored into eligibility as either the EUA or LUA, depending on other utility expenses budgeted. The expense will be included in the priority service determination, accordingly.

Overpayment Claim Calculation

When calculating FoodShare overpayments, workers will need to be generally aware of homeless shelter expense and should factor it into applicable claim calculations, accordingly. The expense would only be potentially relevant for benefit months beginning with October 2019.

CWW Future Enhancements

2020 Changes

- Expense Gatepost page
- Possible Clarifying questions
- Possibility of additional questions for shelter/utility pages

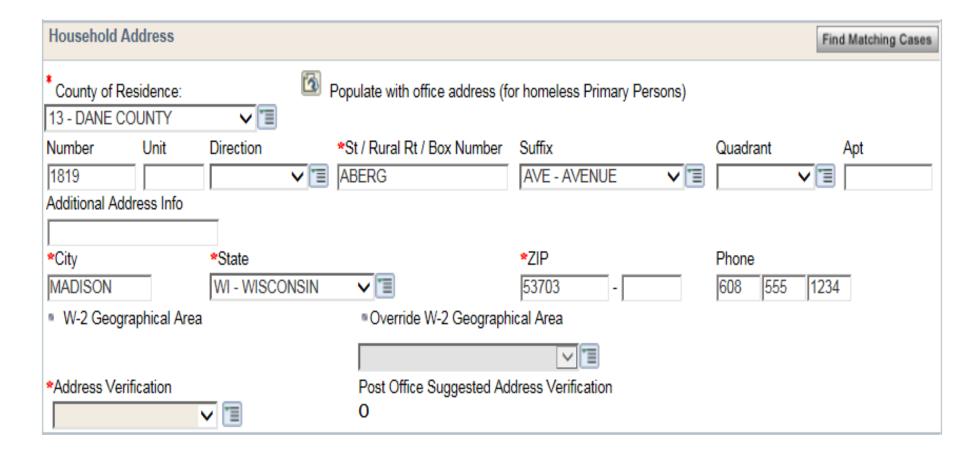
Health Care Policy Changes

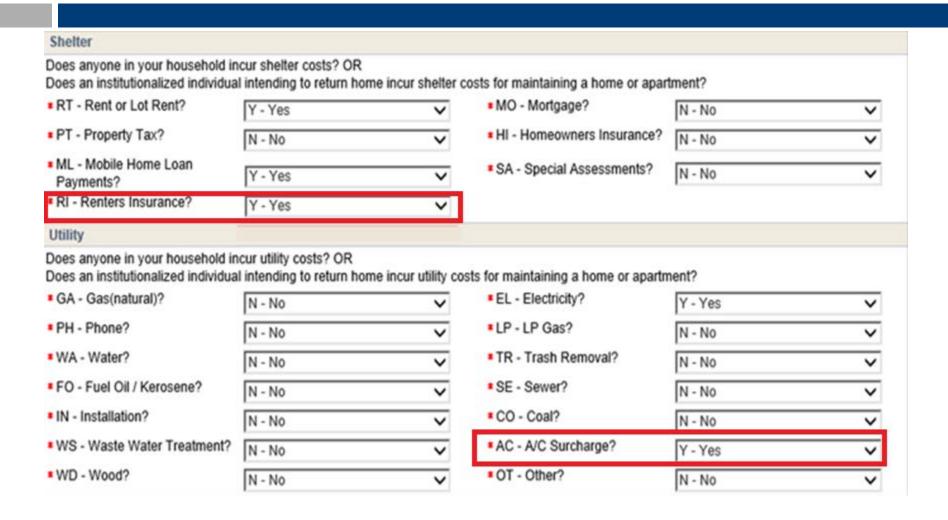
There are no changes to health care policy. The additional shelter and utility expenses for renters insurance and the air conditioning surcharge will be counted for relevant Medicaid program eligibility. The homeless expense deduction is for FoodShare only.

Shelter and Utility Expenses

System Changes

Enhancements have been made to the General Case Info page so that any change made in the Household Address section of the page will schedule the Expense Gatepost page.





Any changes in address and/or phone will lead to a change in existing expenses. When the Expense Gatepost page is scheduled, any existing shelter or utility expense details pages will also be visited via the driver.

This will also resolve the issue of the expenses not being scheduled during SMRF since any action taken to update the address/phone, will schedule the Expense gatepost page.

Renters Insurance and A/C Surcharge

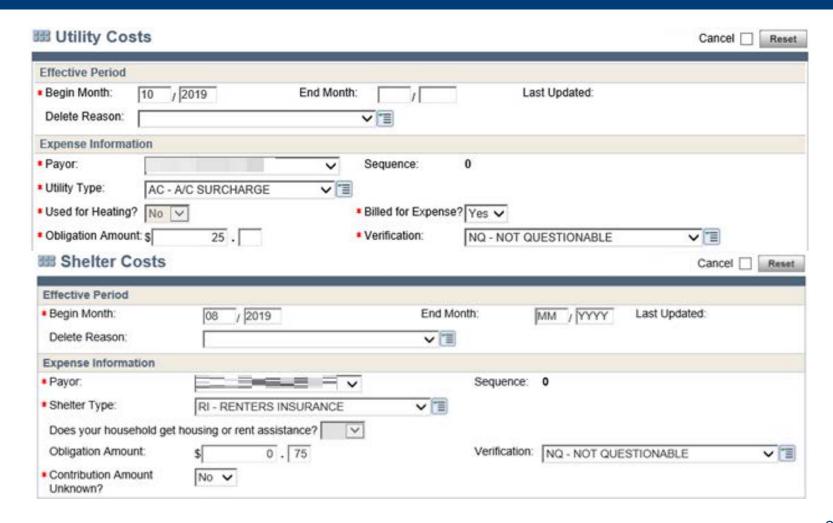
These have been added as a shelter and utility expense.

Renters insurance is not an allowable expense for FoodShare so will only be counted for Medicaid. A/C surcharge will count for FoodShare and Medicaid. For FoodShare, it will be factored as an Electric Utility Allowance (EUA) and would count as an electric expense for the purposes of the Limited Utility Allowance (LUA).

Renters Insurance and A/C Surcharge

Shelter					
Does anyone in your household in Does an institutionalized individual		ur shelter c	osts for maintaining a home or apart	ment?	
RT - Rent or Lot Rent?	Y - Yes	~	* MO - Mortgage?	N - No	~
PT - Property Tax?	N - No	~	* HI - Homeowners Insurance?	N - No	~
* ML - Mobile Home Loan Payments?	Y - Yes	~	SA - Special Assessments?	N - No	~
* RI - Renters Insurance?	Y - Yes	~			
Utility					
Does anyone in your household in Does an institutionalized individual	•	our utility cos	sts for maintaining a home or apartm	nent?	
• GA - Gas(natural)?	N - No	~	*EL - Electricity?	Y - Yes	~
* PH - Phone?	N - No	~	*LP - LP Gas?	N - No	~
* WA - Water?	N - No	~	*TR - Trash Removal?	N - No	~
* FO - Fuel Oil / Kerosene?	N - No	~	SE - Sewer?	N - No	~
* IN - Installation?	N - No	~	*CO - Coal?	N - No	~
*WS - Waste Water Treatment?	N - No	~	* AC - A/C Surcharge?	Y - Yes	~
*WD - Wood?	N - No	~	OT - Other?	N - No	~

A/C Surcharge and Renters Insurance



Homeless Shelter Expense

The homeless shelter expense deduction requires all food unit members to be homeless. It will be factored into the FoodShare budget based on an allowable shelter expense for at least one assistance group member. The "Excess Shelter/Utility Costs" amount will be compared to the Homeless Shelter Deduction amount. Whichever amount is greater will be used in the FoodShare budget.

Homeless Shelter Expense

Net Income Test			
Gross Income:	\$ 645.00		
Earned Income Deduction: -	129.00		
Standard Deduction: -	164.00		
Excess Medical Expenses: -			
Dependent Care Deduction: -	_		
Support Payments: -	_		
Adjusted Income:	\$ 352.00		
Shelter Deduction: -	124.00 🖃 -	Shelter Costs:	\$ 300.00
		Utility Standard: +	_
		Shelter / Utility Costs:	\$ 300.00
		50% of Adjusted Income: -	176.00
		Excess Shelter / Utility Costs:	\$ 124.00
Net Adjusted Income:	\$ 228.00	-	
Assistance Group Size:	2		
Net Income Limit:	\$ 1,372.00		

Shelter and Utility Expense

Notice Changes

Verification Checklist

The A/C surcharge and renters insurance should only be pended when questionable. Changes have been made to the VCL to reflect these expenses being pended for the expense itself (pend from Expenses gatepost page) and for the expense amount (pend from the Shelter or Utility costs pages.

Costs Page VCL Language

What?	Who?	Examples*	Program(s)	Due Date
RENTERS INSURANCE : Shelter costs	JOHN	Rent Receipt that shows the address; Mortgage Statement; or Lease.	Medicaid	May. 15, 2019
•	•	examples of proof listed, th . go online to dhs.wi.gov/e		• ,

What?	Who?	Examples*	Program(s)	Due Date
A/C SURCHARGE : Utility costs; Utility costs	JOHN	Utility Bill; or Statement from your landlord; or lease.	FoodShare; Medicaid	May. 15, 2019

*If you do not have any of the examples of proof listed, there are other things you can use. For a complete list of examples, go online to dhs.wi.gov/em/customerhelp or contact us.

Gatepost Pend VCL Language

Question 1: Does anyone in your home have costs for renters □ Yes □ N insurance?
For each person:
a. Tell us the name of the person who is responsible for paying the bill and how muc the bill is each month.

Answer the questions below for FoodShare by May. 15, 2019:

Question 1: Does anyone in your home pay utility expenses?

Yes No

For each person, tell us:

a. The name of the person who is responsible for paying the bill.
b. What utility the bill is for (for example, gas, electric, water, telephone).
c. If the utility is used for heat.

45 Day Renewal Notice

Minor tweaks were made to the language on the notice to better represent examples of proof that may be requested.

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ACCESS Changes

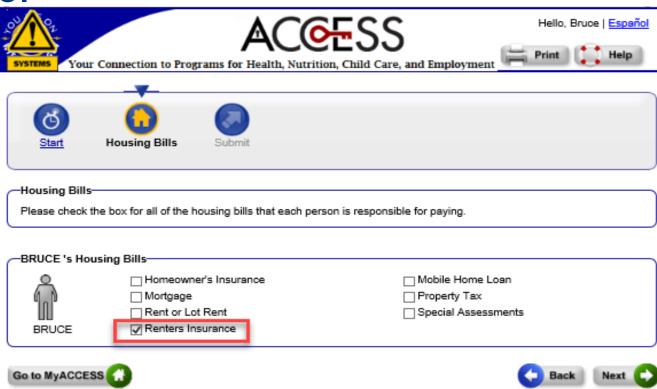
A/C Surcharge and Renters Insurance

Both of these expenses will now be options for entry at application, renewal, SMRF, and change reporting.

The ACCESS help text has been updated to reflect the addition of the two expenses.

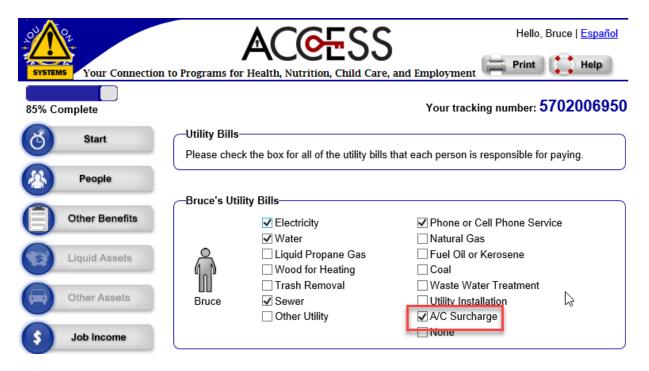
Renters Insurance

Changes to the help text have also been made.



A/C Surcharge

Changes to the help text have also been made.



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Release Readiness

Important dates

New Worker Training Update – November 1, 2019

Operations memo – October 4, 2019

CARES Bulletin – October 14, 2019

Process Help - October 19 2019

QUESTIONS?