

WISCONSIN DEPARTMENT OF HEALTH SERVICES
Division of Medicaid Services
1 W. Wilson St.
Madison WI 53703

To: FoodShare Handbook Users

From: Bureau of Eligibility and Enrollment Policy

Re: **FoodShare Handbook Release 25-01**

Release Date: 04/09/2025

Effective Date: 04/09/2025

EFFECTIVE DATE	The following policy additions or changes are effective 04/09/2025 unless otherwise noted. Underlined text denotes new text. Text with a strike through it denotes deleted text.
POLICY UPDATES	
2.1.2.1 Application Processing 30 Day Time Frame	Added example, updated wording and renamed sub header.
2.1.2.2 Late Expedited Determinations	Updated example.
2.1.5 Changes Reported During the Application Processing Period	Section renamed and rewritten. Effective 1/1/2025.
3.12.1.12 Citizens of the Federated States of Micronesia, Republic of the Marshall Islands, and Palau	Added statement amount COFA eligibility and removed obsolete information.
3.13.1 Social Security Number (SSN) Requirements	Updated time requirement for members to give an SSN.
3.14.1.1 Investigating Potential Fraud	Added post-investigation instructions.
3.15.1.3 Student Institutional Meal Plans	Updated verbiage, removed obsolete information and added an Example.
3.16.1.1 Background	Updated link.
3.17.1.3 Determining Exemptions From the FoodShare Work Requirement	Updated age figures. Effective 10/1/2024.
3.17.1.5 Good Cause for the FoodShare Work Requirement	Updated instructions, removed obsolete information and added an example. Effective 10/1/2024.
4.3.4.3 Disregarded Unearned Income	Updated bullet points under Medical and Dependent Care.
4.6.5.1 Child Support Payment Introduction	Removed Note.
7.3.1.7 Notice of Overissuance	Updated worksheet reference code.
7.3.3.11 DHS Compromised Claims	New section.
7.3.1.7 Notice of Overissuance	Section renamed and rewritten.
7.3.2.1 Repayments and Delinquency	Section renamed and rewritten.

7.3.2.5 Tax Intercept	Updated delinquency criteria and removed obsolete information.
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2.1.2 Application Processing Time Frame

2.1.2.1 Application Processing 30 Day Time Frame

7 CFR 273.2(c); 7 CFR 273.2(g); 7 CFR 273.2(h)(2)(i)(A)

OM 14-48

The application process must be completed 30 days from the initial filing date, unless the applicant is eligible for expedited services (see Section 2.1.4 Expedited Service at Application). Day one of the application processing period is the day after the filing date. The time frame for processing an application is the filing date plus 30 days.

If the 30th day falls on a weekend or postal holiday:

For denials, the action to deny ~~should~~must be taken the next business day. For approvals, the approval must be processed no later than the 30th day. Waiting until the next business day or later to process an application for an eligible FoodShare assistance group is untimely and, therefore, not allowable.

Note	If the application is being processed after adverse action, eligibility will be determined for the application month and the next two months. If the food unit is ineligible for the application month and the second month, eligibility for the third month will also fail and the applicant would have to reapply even if there are changes in the third month that may make the food unit eligible for that month.
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Applicants are required to cooperate with the completion of this process. Agencies are required to assist the applicant in the completion of the application process if the applicant requests such assistance.

When the application process has not been completed by the end of the 30th day, a notice of pending will be sent explaining the necessary steps to resolve the delay. If there is outstanding verification, the notice of pending will list those outstanding items.

Late Interview or Verifications

Required Actions Completed After Timely Denial But Within 60 Days of Filing Date

When an applicant fails to complete all required actions (including completing an interview, the application must be denied. If the interview is completed and the applicant fails to submit submitting all required verification) by the 30th day following the filing date, or 20 days from the date verifications were requested, whichever is later, the application must be denied.

The applicant has an additional 30 days from the date of a timely denial (denied on day 30), or 60 days from the filing date, to complete their-the required action (i.e., complete the interview and/or submit any-the required verification) without requiring a new

application or interview. If the applicant is found eligible, benefits should be prorated from the date all required verifications were submitted or the interview was completed (if no verifications are required). The initial month of application should be denied.

If all required actions are completed during the period on or after the 31st day but no later than the 60th day from the filing date, and the applicant is found eligible, benefits must be prorated from the date all required actions were completed. The initial month of application must be denied.

Example 1	<p>Jane applies and completes her interview on January 5, and her application is considered a regular 30-day application. Her verification checklist is mailed on January 6 with a due date of February 5. Jane fails to submit the required verifications by February 5. Her case is denied for lack of verification on the 30th day. The notice will inform Jane that she will have until March 9 (60 days from the filing date including extensions for weekends) to submit the required verification without needing to reapply.</p> <p>If verifications are not submitted by this date, Jane will need to reapply and complete a new interview in order to have her eligibility determined.</p> <p>If verifications are submitted any time after February 5 but on or before March 9, issue<u>benefits are</u> prorated benefits from the date all verifications were submitted.</p>
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See 1.2.1.2 Request for Verification for details on verification time frames.

All actions must be completed by day 60 or the application will be denied. If the interview is completed after day 30 with a result of pending verification, all pending verification must be returned 60 days following the filing date, or a new application is required.

Example 2	<p>George submitted an application but failed to complete his interview by day 30. The agency denies his application. George goes into the agency on day 55 of his 60-day application period and completes his interview. George reports employment which is then pended for verification. George will only have until day 60 to verify this employment or he will be required to reapply.</p>
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2.1.2.2 Late Expedited Determinations

7 CFR 273.2(i)(3)(iv)

A late determination of expedited benefits ~~happens~~can happen when an application is submitted as a non-Priority Service application but is then found to be eligible for ~~expedited~~Expedited Issuance benefits at any time during the eligibility determination process. Once the agency is aware that the applicant is eligible for expedited benefits, benefits must be made available to the FoodShare assistance group within seven calendar days from the date of discovery, or by the 30th day following the filing date, whichever is sooner. The application is no longer considered a 30-day application, but an expedited application, and must be processed as such.

Example 23	<p><u>An ACCESS Jerome submits a FoodShare</u> application is submitted on <u>January 18 and April 7.</u> <u>Based on</u> the information provided on the application indicates that applicant, Jerome does</p>
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not ~~qualify~~meet the criteria for ~~priority service~~. ~~The Priority Service/Expedited Issuance.~~
~~Jerome completes the FoodShare interview is scheduled and held on January 28.~~

~~on April 18. During the interview the IM worker determines that the applicant~~Jerome reports
~~that he is no longer employed, and his last check was received April 12 and was for \$100.~~
~~Jerome's rent is \$500, and his heating expense is paid separately from his rent.~~

Because of the updated information discovered in the interview, Jerome's application is now
considered eligible for expedited issuance. ~~There could have been a change in the applicant's~~
~~circumstances, or the Priority Service Determination screen could have been filled out~~
~~incorrectly. The FoodShare benefitsExpedited Issuance. Benefits must now be confirmed on~~
~~or before February 4by April 25 (within 7 days of the discovery of eligibility for Expedited~~
~~Issuance) to be considered timely.~~

If ~~the FoodShare benefits~~Benefits are not confirmed ~~any later than February 4 they will be~~
~~untimely. In this situation, the IM worker does not have on Jerome's case until February 18 to~~
~~makeApril 29, it would be considered a finallate determination as they originally had when this~~
~~was a 30-day applicationof expedited benefits.~~

2.1.5 Multiple Application Submission and Changes Reported During the Application Processing Period

~~For applications, changes that occur between~~When more than one application is submitted by a household during the same application filing period, the earliest received application establishes the filing date and the intake. However, the information from the latest received application must be used in determining eligibility since it is the most up-to-date information reported by the household.

Example 1	<p><u>Charlie applies for FoodShare on June 15. Charlie moves from Superior to Green Bay on June 20. Charlie applies for FoodShare again on June 21 (Charlie didn't know a new application was not needed).</u></p> <p><u>The filing date for Charlie's FoodShare request is June 15. Some information from the June 15 application might be valid, but information from Charlie's more recent June 21 application must be used in Charlie's eligibility determination and for contact details.</u></p>
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~~If the duplicate application is received prior to the interview date must be acted on as part of the application. Changes that are reported after, clarifying questions must be asked during the interview, whether to determine the best information to use in the eligibility determination.~~

If the duplicate application is received after completion of the interview, additional clarification or verification of the newly reported information may be required prior to making an eligibility determination for the application.

Once the correct information is recorded into the case has been and the proper filing date is set, the duplicate application(s) must be withdrawn. Actions taken when there are multiple applications, including enough information to understand how the applications were processed, must be acted on in the same manner as any other reported change case commented.

Changes that are reported during the application period (prior to certification) must be acted on as part of the application.

If information is reported during the 30-day application processing period that would cause a FoodShare application to be denied for both the initial month and month two, and the denial application is confirmed in CARES denied, a new application is required. In situations that result in denial of benefits for the initial month and certification for ~~the~~ month two, a new application would not be required.

3.12.1 Citizenship and Immigration Status

3.12.1.12 Citizens of the Federated States of Micronesia, Republic of the Marshall Islands, and Palau

The Compacts of Free Association are agreements that establish a free association between the United States and the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. These countries are collectively referred to as the Freely Associated States (FAS). FAS citizens are not citizens or nationals of the United States. However, FAS citizens admitted to the United States under the Compacts may reside, work, and study in the United States for an unlimited length of time, without applying to become lawful permanent residents or applying for visas. These ~~persons~~people are referred to as Citizens of Freely Associated States or COFAS.

~~COFAS, due to their countries' free association with the United States, are allowed to stay in the country indefinitely. This fact does not make them Lawful Permanent Residents (01-LPR) who may otherwise be eligible for FoodShare benefits after being in the country for five years. They are still considered to be non-immigrants who are just lawfully present in the U.S. Unless the federal data services hub or SAVE verifies that a citizen of the FAS has a Lawful Permanent Resident status, they may only be considered to be lawfully present (see).~~

Example 1	Jonas is from Micronesia. He has been in Wisconsin since 2010. Jonas has not applied for citizenship. SAVE returns a result of 20- Lawfully Residing. Although Jonas is a COFAS here lawfully, he is not eligible for FoodShare.
Example 2	George is from the Republic of Palau. He has been in the country since 2015 and has applied for US Citizenship. SAVE returns a result of 01- Lawful Permanent Resident and verifies George's entry date of 2015. George is considered a qualifying immigrant who has met the 5-year bar and can be found eligible for FoodShare if he meets all other eligibility criteria.

COFA citizens are immediately eligible for benefits if they meet all other FoodShare financial and non-financial eligibility requirements. They are not subject to any additional requirements, such as the five-year wait.

3.13.1 Social Security Number (SSN) Requirements

[...]

In cases where an application for SSN has been filed with the Social Security Administration, an SSN must be provided by the time of the next FoodShare renewal or FoodShare eligibility will be terminated for that person. In addition, if eligibility for another program pends for an SSN and the SSN application date on file is six months or older, eligibility for FoodShare will also pend. Members must be given a minimum of ~~40~~20 days to provide an SSN, but if they do not, FoodShare eligibility must be terminated for that person.

[...]

3.14.1 Intentional Program Violation (IPV) Disqualification

3.14.1.1 Investigating Potential Fraud

Fraud investigations determine the accuracy of an allegation that a person receiving benefits from a public assistance program intended to misrepresent their eligibility criteria or committed any act that constitutes an IPV. A careful examination of a case record by the agency is essential in determining whether it should be referred for fraud investigation.

A fraud investigator is a worker designated to review a case, also known as a fraud referral, suspected of fraudulent activity. The investigator must determine if an overpayment of benefits occurred and if there was intent to commit fraud against the program.

Common suspected fraud cases referred to an investigator by an IM or tribal agency include:

1. A benefit overpayment is suspected, and the agency has reason to believe the overpayment is the result of misrepresentation of program eligibility requirements. The misrepresentation of program eligibility or fraudulent activity may be the result of:
 - a. False or misleading statements of circumstances.
 - b. Failure to report a change in circumstances.
 - c. Concealed or withheld facts.
 - d. Violation of a program regulation or State statute relating to program benefits.
2. The benefit(s) would not have been provided but for the false representation.
3. The conduct of the benefit recipient indicates the misrepresentation or fraudulent use of the benefit was done with knowledge and intent.

The fraud referral should contain all relevant data the agency has on the case to help the fraud investigator.

The primary purpose of a fraud investigation is to substantiate the validity of a fraud referral. To do this, the IM consortium or tribal IM agency needs to provide as much relevant information as possible so the investigator can determine if the member intended to commit any act that constitutes an IPV and if any benefits were overpaid.

Fraud investigations may include, but are not limited to:

- Gathering and examining documentary evidence
- Investigative Interviewing
- Requesting verification related to the investigation
- Investigations in the field (for example, surveillance)

- Entering findings or comments on a referral into the investigation tracking system
- Representing the agency in a hearing
- Calculating overpayments
- Creating claims

Referral criteria should include, but not be limited to:

- A statement of the fraud allegation
- The date the information was received
- CARES case number
- Source of complaint
- Investigation reason
- Potential programs affected
- Potential look-back period
- Supporting documentation

When the investigation finds that a person committed an alleged intentional program violation (IPV), the agency must decide whether to refer the case to one of the following:

1. Administrative Disqualification Hearing (ADH)
2. District Attorney (DA) for prosecution
3. Make no referral for IPV/fraud determination

Once the investigation concludes, document the investigation outcome and next steps (if any) in case comments. Documentation supporting the outcome of the investigation must be saved in the electronic case file (ECF). Documentation in the case comments and case file must occur even if the outcome of the investigation is that no fraud or overpayment was found.

3.15.1 Student Eligibility

3.15.1.3 Student Institutional Meal Plans

A student is an ineligible household member (and considered a resident of an institution) if they live in the dorms or other college housing and purchase a meal plan that provides ~~more than 50%~~the majority of their meals (over 50 percent of three meals daily-meals) as part of the school's normal services.

Determine meal plan coverage by calculating the percentage of daily meals ~~available to~~included in the ~~student~~meal plan. A meal plan offering 21 meals per week (breakfast, lunch, and dinner, seven days a week) offers 100% of daily meals. A student with access to 11 meals per week (52%) is ineligible; a student with access to 10 weekly meals (48%) is entitled to ~~receive~~ benefits if otherwise eligible.

Meal plan structures vary and can be counted by the number of meals, points, or dollars. ~~IM workers must ask the applicant or member for clarification if it is unclear how many meals they receive from their plan. This~~Daily meal percentage information can be provided by documentation the student has from the ~~FoodShare applicant or member or from their school, or meal plan~~ provider.

Meal plan participation can be defined as purchasing and enrolling in a meal plan at an institute of higher learning, either voluntarily or as required- for enrollment. If a student chooses to not eat the meals, this does not lower the daily meal percentage, as the meals are paid for pre-purchased and ~~made available to the student~~.

Example 7	Kate is enrolled full time at UW-La Crosse and lives on campus in a dorm. Kate has a meal plan that provides the equivalent of ten meals per week. Ten 48% of her daily meals per week are provided through the school meal plan, which is less than <u>not the majority (50%) of 21 total weekly her meals.</u> Kate meets all other eligibility criteria and is determined eligible for FoodShare.
Example 8	Marvin is enrolled full time at UW-Madison and lives on campus in a dorm. Marvin is required to purchase a meal plan that includes 21 meals per week. Marvin doesn't like the food offered and applies for FoodShare <u>reporting to buy groceries instead</u> . <u>He reports</u> that although he pays for a meal plan, he doesn't eat the food. Marvin has use it. <u>Marvin's meal plan provides</u> more than 50% of his <u>daily meals</u> paid for, even though he chooses not to use, which covers the majority of his meal plan, daily meals, and therefore he is not eligible to receive FoodShare.
Example 9	<u>Jose is renting a dorm room from the university as a non-student. He is not eligible for the school's meal plan and is not an enrolled student. He is not considered a resident of the institution and therefore is eligible if all other criteria are met.</u>

3.16.1 FoodShare Basic Work Rules

3.16.1.1 Background

Federal regulations require FoodShare applicants and members to comply with FoodShare basic work rules and ABAWD/FoodShare work requirements as a condition of FoodShare eligibility. Policy related to ABAWD/FoodShare work requirements for certain adults aged 18 to 54 is located in [~~SECTION- 3.1617.1.2~~ FOODSHARE-BASIC WORK RULESREQUIREMENTS](#).

FoodShare Employment and Training (FSET) is a voluntary program for all FoodShare applicants and members. The FSET program serves people who wish to voluntarily enroll, and benefits cannot be sanctioned or terminated for non-participation. All FSET policy and some additional ABAWD policy pertaining to the ABAWD/FoodShare work requirement is in the [FSET Handbook](#).

3.17.1 FoodShare Work Requirements for ABAWDs

3.17.1.3 Determining Exemptions From the FoodShare Work Requirement

Identification and correct determination of ABAWD exemptions impacts whether members are subject to TLBs and maintain eligibility for benefits. Members may cycle on and off FoodShare benefits and may gain or lose exemptions for a variety of reasons.

A FoodShare applicant or member is determined exempt from the FoodShare work requirement if they meet any one of the following exemption criteria, as determined by the IM agency:

Under age 18* or age 5354** and older

- *Under Age 18: ABAWD status applies the month following the month the FoodShare member or applicant turns age 18.
- **Age 5354 and older: ABAWD status no longer applies the first day of the month an ABAWD turns age 5355.

[...]

3.17.1.5 Good Cause for the FoodShare Work Requirement

ABAWDs can report good cause hours for a month they were not meeting the Foodshare work requirement, and a TLB was applied. Good cause hours that are applied to a case may allow an ABAWD to meet the FoodShare work requirement and maintain FoodShare eligibility if they are unable to temporarily meet the work requirement. ABAWDs can report good cause hours at any time, even after Foodshare eligibility has closed due to receiving three TLBs.

Good cause hours may be granted for circumstances beyond the member's control that resulted in the member missing work or work activity hours such as, but not limited to:

- Work activity was cancelled
- Discrimination
- Family issues
- Illness or personal health reasons
- Inclement weather
- Legal issues
- Lack of transportation
- Unreasonable job demands
- Unanticipated emergency

When making decisions about granting good cause hours, IM workers must consider all facts and circumstances and seek additional information from other sources for clarification, as needed. IM agencies may request verification of good cause hours if it is deemed questionable. Steps taken to explore good cause must be documented.

~~IM and FSET workers can only apply up to a combined total of 40 good cause hours toward a member's TLB month.~~ If the member meets the work requirement, with the addition of the ~~up to 40~~ good cause hours, the member's TLB month is removed.

Example 8	Adrian, an ABAWD working part-time at 25 hours per week, applied for FoodShare on January 10. During the months of February and March he received TLBs because he did not work sufficient hours to meet the work requirement. Adrian had car issues in March that resulted in him needing to use the bus. Because the bus route did not align with his work schedule, Adrian temporarily reduced his work hours to 17 hours per week. On April 4, Adrian called the IM agency and reported good cause hours for the month of March (his second TLB month) due to transportation issues. The worker determined the good cause hours <u>were determined</u> not questionable. The worker applied the reported good cause hours <u>were applied</u> , along with his verified part-time employment, to meet the work requirement for the month of March and remove the TLB. Adrian has two TLBs left during the current three-year fixed clock period.
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~~If a member requests greater than 40 hours of the~~ good cause request is related to a chronic issue, the ~~IM~~ worker must first have a conversation with the member to determine if the issue is temporary or chronic and if an exemption should be applied. See ~~for allowable exemptions.~~

Example 9	Joe is an ABAWD member that had a serious illness that prevented them from meeting the work requirement for more than 40 hours in one month would be considered unfit for unemployment due to physical or mental illness. An exemption must be applied. If the member had a temporary transportation issue resulting in a request of over 40 hours of good cause for a month, a discretionary exemption must be applied for that month because transportation issues are not a qualifying exemption from the FoodShare work requirement.
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~~If the good cause request is a chronic issue, the IM worker must first~~ determine if the individual qualifies for an exemption in SECTION 3.17.1.3 DETERMINING EXEMPTIONS FROM THE FOODSHARE WORK REQUIREMENT. If the individual does not meet one of the exemption criteria, ~~the IM worker must not apply~~ a discretionary exemption ~~to the case.~~ IM workers must not be applied. Workers must discuss alternative options for mitigating the impact of the barrier such as referring the member to the local FSET agency, discussing other work requirement participation options, and referrals to outside government and community agencies.

Example 9	Joe is an ABAWD member that had a serious illness that prevented them from meeting the work requirement for the month of June and their symptoms were anticipated to continue. Joe would be considered unfit for unemployment due to physical or mental illness. An exemption must be applied.
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3.20.1 Drug Related Felonies

3.20.1.5 Applications and Renewals

~~Applications~~Applicants must self-attest if they have been convicted of a drug felony within the past five years. Members completing a renewal must self-attest to any previously unreported convictions within the past five years.

~~IM workers~~During the application or renewal interview, it must ~~explain to members~~be explained that people convicted of a drug-related felony in the past five years, ~~that they will need to~~must take and pass a drug test to ~~maintain~~be eligible for FoodShare eligibility. ~~This applies at application and~~. A drug test that was taken and passed at the time of application, will not require another drug test at renewal. A drug test is required at renewal if ~~the drug there is a new person convicted of a drug related felony was or a~~ previously unreported drug felony.

Upon agreement to take the test, ~~find~~ the person is eligible and benefits must be issued if they meet all other eligibility criteria. If they pass the test (negative test result), they remain eligible for ongoing benefits.

If they refuse to take a drug test, they ~~must be determined~~are ineligible (gross deemer without a sanction) for FoodShare, effective the next possible benefit month. Members who ~~fail to~~don't take a test can ~~choose to~~reapply at any time. If they reapply, they must agree to take a drug test ~~at any time, unless the conviction is more than five years old~~.

If they fail the drug test (positive result), they must be sanctioned for 12 months (gross deemer with a sanction) effective the next possible benefit month. During this time, they cannot ~~gain~~regain FoodShare eligibility. They must serve the full sanction. If the member failed the drug test but had a prescription for the drug(s), the sanction must be lifted and eligibility restored.

See Section 4.7.6 Gross Deeming

If the drug test is inconclusive, the person must retake the test until they receive a passing or failing result. If the member does not retake the test, they must be determined ineligible for not agreeing to take a drug test. The person must be given an adequate amount of time to reschedule, retake, and receive the results of any additional drug tests. This may require a verification due date extension.

Benefits issued while a drug test result is pending are not recoverable if the drug test is failed.

Example 2	On June 19, Jane applies for FoodShare for herself and her two children. Jane reports having a drug felony conviction from three years ago and agrees to take a drug test. The IM worker helps her schedule the <u>The</u> drug test was scheduled for June 25. The IM worker continues to process the application <u>is processed</u> , and Jane is found eligible for June and July FoodShare benefits. The worker confirms June and July benefits and pends <u>Verification for</u> Jane's case for the drug test results <u>August forward</u> <u>are requested for ongoing eligibility</u> . The
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	drug test results are received on July 2. Jane failed the drug test. Jane is sanctioned effective August 1 for 12 months. Jane's two children remain eligible for FoodShare.
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Example 3	<u>Jeremy applies and completes his interview on January 10, at which time he agrees to take the drug test. Jeremy's application is processed, and he is found eligible for benefits. Jeremy's ongoing case is then pended and a request for drug test results is sent. Jeremy has 20 days to provide a passing drug test result. If a passing test result is received by the due date, he will be sanctioned and his benefits will be terminated.</u>
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4.3.4 Unearned Income

4.3.4.3 Disregarded Unearned Income

Disregard means do not count. When you are calculating the total amount of unearned income a person has received, you ~~should~~must exempt or exclude any of the following kinds of unearned income:

Housing and related income

1. Disregard rent paid by the Department of Housing and Urban Development (HUD) and Farmer's Home Administration (FMHA) directly to a landlord as income. Do not include these payments as a deduction. Only include as a rent expense what the food unit owes to the landlord after the HUD or FMHA payments.
2. Disregard rent paid by HUD to residents in the experimental housing program in Green Bay.
3. Disregard HUD or FMHA utility reimbursement payments made directly to a food unit or utility provider as income.
4. Disregard HUD utility reimbursement payments diverted by a Native American housing authority directly to the utility provider without permission, consent, or agreement of the food unit.
5. Under the Family Investment Centers program, HUD provides grant money to public housing agencies and Indian housing authorities. In turn, they provide access to education and job opportunities to public housing residents. Disregard as income services provided to these residents. Services include:
 - a. Child care
 - b. Employment and training counseling
 - c. Literacy training
 - d. Computer skills training
 - e. Assistance in attaining certificates of high school equivalency
 - f. Other similar services
6. Disregard free rent, no income is counted, and no rent deduction is allowed.
7. A tenant may be billed utility expenses for common electrical devices, for the benefit of any number of tenants, but wired through their meter. A notice from the landlord identifies that cost and the tenant's reimbursement. Disregard the reimbursement.
8. Income received as a result of participation in the Fresh Start Program.

Employment Training and Education

1. Educational aid for students is not counted as income.
2. Disregard educational expense reimbursements.
3. Disregard income produced by an educational trust.

4. Disregard W-2 TSP (stipends for non-custodial parents) received for W-2 education and training activities.

Loans

Disregard as income any loan to the food unit. This includes loans from private individuals and commercial institutions. A legally executed document is not required to verify that income is a loan. A statement signed by both parties is enough to verify the income is a loan, if it contains: the amount of the loan, that the payment is a loan, and that repayment is required.

Medical and Dependent Care

1. Disregard reimbursements for medical or dependent care. Some examples of medical or dependent care reimbursements that should must be disregarded are:
 - a. Reimbursements from the Medical Assistance (MA), also known as Medicaid or Title 19 Community Integration Program (CIP).
 - b. Reimbursements from Medicare Advantage supplement benefits.
 - b-c. Reimbursements from the Alzheimer's Family Caregiver Support Program (AFCSP), the National Family Caregiver Support Program (NFCSP), and the Program of Comprehensive Assistance for Family Caregivers (PCAFC).
2. Disregard dependent care payments as income for a food unit member's care when a county agency:
 - a. Pays a dependent care provider directly,
 - b. Reimburses the food unit after the food unit has incurred or paid a dependent care expense.
3. Disregard payments from the Wisconsin Family Support Program, which assists families by covering medical, dependent and other allowable expenses for in-home support for children with severe disabilities. Payments may be issued in several ways, including by voucher or direct payment to the vendor, or direct payment to the family as a reimbursement for allowable expenses. Do not confuse this program with "family support", a court-ordered obligation that combines child support and maintenance.

SSA programs

1. Disregard reimbursements for services provided by the [Social Services Block Grant Program](#).
2. Disregard retroactive SSI payments which are paid in installments.
 - a. Retroactive SSI benefits which total 12 months or more of the Federal Benefit Rate (monthly SSI amount) will be paid in three or fewer installments at six-month intervals. Each installment payment should must be counted as an asset. Retroactive SSI benefits which equal or exceed 12 months of benefits, but which are owed to the following categories of recipients, will continue to be received in one lump sum:

- i. A person who has a medical impairment which is expected to cause death within 12 months.
 - ii. A person who is ineligible for benefits and is likely to remain ineligible for the next 12 months.
3. Disregard income of an SSI recipient necessary to fulfill a Plan to Achieve Self-Support (PASS) regardless of the source. This income may be spent in accordance with an approved PASS or deposited into a PASS account. The SSA must approve the individual's PASS in writing, identifying the amount of income that must be set aside each month to fulfill the PASS. It is the member's responsibility to report and verify that such income is necessary to fulfill its PASS in order for the income to be disregarded.
4. A qualified organization may collect a fee for acting as the representative payee for an SSI or OASDI recipient. Disregard the amount withheld from the SSI or OASDI payment as income to the recipient. Reduce the SSI or OASDI amount by the amount withheld instead.

SSI-E

Disregard SSI-E income for FoodShare. It is not necessary to determine if ~~a~~an SSI-E payment is being used for its intended purpose in order to disregard the income.

Energy Assistance Program

Disregard all payments provided by the Low Income Home Energy Assistance Program (LIHEAP) or Wisconsin Home Energy Assistance Program (WHEAP).

Community Options Program

Disregard Community Options Program (COP) reimbursement for long-term care services. If a food unit member is receiving COP payments for providing services, count the money as earned income.

Tribal / Native American Payments

Disregard any Tribal General Welfare Assistance (GWA) and Tribal General Welfare Exclusion (GWE) payments (26 USC § 139E).

Disregard payments to individual tribal members of the following tribes or from the following federal settlements:

1. Seminole Indians of Florida (PL 84-736).
2. Pueblos of Zia and Jemez of New Mexico (PL 84-926).
3. Red Lake Band of Chippewa Indians (PL 85-794).
4. Alaska Native Claims Settlement Act (PL 92-203).
5. Stockbridge Munsee Indian Community of Wisconsin (PL 92-480).
6. Burns Indian Community of Oregon (PL 92-488).
7. Pueblo of Santa Ana (PL 95-498).
8. Pueblo of Zia of New Mexico (PL 95-499).

9. Bois Forte Band of the Chippewa Tribe or the Grand Portage Band of Lake Superior Chippewa Indians under 25 USC 1407 (PL 93-134, 97-458, 106-568, 113-290).
10. Navajo and Hopi Tribe relocation payments (PL 93-531).
11. Cherokee Nation of Oklahoma (PL 94-114).
12. Cheyenne River Sioux, Crow Creek Sioux, Lower Brule Sioux, Oglala Sioux, and Rosebud Sioux Tribes of South Dakota (PL 94-114).
13. Devils Lake Sioux and Standing Rock Sioux Tribes of North Dakota (PL 94-114).
14. Shoshone-Bannock Tribes of Idaho (PL 94-114).
15. Sac and Fox Indian claims agreement (PL 94-189).
16. Grand River Band of Ottawa Indians (PL 94-540).
17. Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (PL 95-433).
18. Indian Child Welfare Act of 1978 (PL 95-608).
19. Delaware Tribe of Indians and the Delaware Tribe of Western Oklahoma (PL 96-318).
20. Passamaquoddy Tribe, Penobscot Nation, and Houlton Band of Maliseet Indians under the Maine Indian Claims Settlement Act of 1980 (PL 96-420).
21. Wyandot Tribe of Indians of Oklahoma (97-371).
22. Absentee Shawnee Tribe of Oklahoma, Eastern Shawnee Tribe of Oklahoma, and Cherokee Band of Shawnee descendants (PL 97-372).
23. Miami Tribe of Oklahoma and Miami Indians of Indiana (PL 97-376).
24. Clallam Tribe of Indians, including Port Gamble Indian Community, Lower Elwha Tribal Community, and Jamestown Band of Clallam Indians, of Washington (PL 97-402).
25. Turtle Mountain Band of Chippewas of Arizona (PL 97-403).
26. Blackfeet, Gros Ventre Tribes, and Assiniboine Tribes of Montana (PL 97-408).
27. Papago Tribe of Arizona (PL 97-408).
28. Red Lake Band of Chippewas (PL 98-123).
29. Assiniboine Tribes of Fort Belknap Indian Community and Fort Peck Indian Reservation of Montana (PL 98-124).
30. Chippewas of Lake Superior including the Bad River Band, Lac du Flambeau Reservation, Lac Courte Oreilles Band, Sokaogon Chippewa Community, Red Cliff Reservation, and St. Croix Reservation of Wisconsin; disregard any per capita payment issued under this judgement in its entirety (PL 99-146).
31. Keweenaw Bay Indian Community of Michigan (PL 99-146).
32. Fond du Lac, Grand Portage, Nett Lake, and White Earth Reservations of Minnesota (PL 99-146).
33. White Earth Band of Chippewas in Minnesota (PL 99-264).
34. Saginaw Chippewa Indian Tribe of Michigan (PL 99-346).
35. Chippewas of the Mississippi including Mille Lac, White Earth, and Leech Lake of Minnesota (PL 99-377).
36. Band of Potawatomi, including Hannahville Indian Community and Forest County Potawatomi, of Wisconsin; if issued as a per capita payment, disregard the first \$2,000 of each payment made from this judgement (PL 100-581).

37. Puyallup Tribes under the Puyallup Tribe of Indians Settlement Act of 1989 (PL 101-41).
38. Seneca Nation of New York under the Seneca Nation Settlement Act of 1990 (PL 101-503).
39. Catawba Indian Tribe of South Carolina (PL 103-116).
40. Confederated Tribes of the Colville Reservation (PL 103-436).

Exclude as income any lump sum or periodic payments received under the Cobell v. Salazar Class Action Trust Case during the one-year period beginning on the date of receipt (PL 111-291).

Disregard up to \$2,000 per calendar year held by an individual Native American which is derived from restricted land or land held in trust by the Department of Interior, Bureau of Indian Affairs (PL 103-66, 92-203, and 100-241).

Disregard the first \$2,000 of individual shares for the following:

1. Confederated Tribes of the Warm Springs Reservation (PL 97-436).
2. Old Age Assistance Claims Settlement Act (PL 98-500).
3. Seminole Nation of Oklahoma (PL 101-277).
4. Seminole Tribe, Miccosukee Tribe of Indians, and the independent Seminole Indians of Florida (PL 101-277).
5. Rincon Band of Mission Indians (Docket 80-A).
6. Walker Paiute Tribe (Docket 87-A).
7. Ak-Chin, Salt River Pima-Maricopa, and Gila River Pima-Maricopa Indian Communities (Docket 228).
8. Maricopa Ak-Chin Indian Community (Docket 235).
9. Peoria Tribe of Oklahoma (Dockets 313, 314-A, and 314-B).
10. Yankton Sioux Tribe (Dockets 342-70 and 343-70).
11. Wichita and Affiliated Tribe (Keechi, Waco & Tawakonie) of Oklahoma (Dockets 371 and 372).

Child Nutrition Act of 1966 and the National School Lunch Act

Disregard the value of assistance received from programs under the Child Nutrition Act of 1966 and the National School Lunch Act. These are the:

1. Special Milk Program.
2. School Breakfast Program.
3. Special Supplemental Food Program for Women, Infants and Children (WIC).
4. School Lunch Program.
5. Summer Food Service Program for Children.
6. Commodity Supplemental Food Program.
7. Child and Adult Care Food Program.

Disaster and Emergency Assistance Payments

1. Disregard major disaster and emergency assistance payments made by federal, state, county, and local agencies, and other disaster assistance organizations, including National Flood Insurance Program (NFIP).
2. Disregard Emergency Assistance or emergency General Assistance when either is given to a migrant or seasonal farm worker food unit if:
 - a. The payment is provided to a third party (vendor) on behalf of the migrant or seasonal farm worker; and,
 - b. The food unit was in the job stream when (for example, working) it was provided.
3. Disregard disaster unemployment benefits to any individual who is unemployed as a result of a major disaster. Individuals cannot be eligible for any other unemployment compensation and also receive disaster unemployment benefits. Payments are limited to 26 weeks.

COVID-19 Pandemic Assistance: Refer to [Process Help COVID-19 Unwinding](#) ~~Process Help~~, for specific policies and process related to COVID-19 pandemic income.

Veterans Benefits

Exclude VA aid and attendance and homebound allowances if the payment is:

1. For a past or future expense.
2. Not in excess of the actual expense.
3. Not for a normal household living expense.
4. Used for the intended purpose.

Disregard aid and attendance and housebound allowances received by veterans, spouses of disabled veterans, and surviving spouses.

GI Bill

All military personnel fund the GI Bill through mandatory payroll deductions in their first year of service. Disregard these deductions when counting income.

Example 2	During Joe's first year of military service, his gross pay is \$1,000 per month. One hundred dollars is deducted from his paycheck each month for the GI Bill. The IM worker disregards the \$100 deduction and budgets his pay as \$900 per month.
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Combat Pay

IM workers are required to determine if a military allotment made available to a food unit by an absent member deployed to a combat zone should be excluded when determining eligibility. Disregard any amount of combat zone pay that goes to the food unit that is in excess of the military person's pre-deployment pay. The exclusion lasts while the military person is deployed to the combat area.

If the amount of military pay from the deployed absent family member is equal to or less than the amount the food unit was receiving prior to deployment, all of the allotment would be counted as income to the food unit. Any portion of the military pay that exceeds the amount the food unit was receiving prior to deployment to a designated combat zone should must be excluded when determining the food unit's income for FoodShare purposes.

Follow these steps in determining how to budget combat zone pay:

1. Ask if the service member is deployed to a combat zone.
 - a. If the answer is no, verify military pay using a bank record or Leave and Earnings Statements (LES) and clearly document in case comments how income to the food unit was determined and verified.
 - b. If the answer is yes, verify the service member's pay before deployment to a combat zone and the amount they receive due to being assigned to a combat zone. Leave and Earnings Statements (LES) or bank records can be used to verify this amount.
2. Any portion that is more than the amount the food unit was receiving immediately before deployment to a combat zone is exempt as combat pay.
3. Clearly document in case comments the combat pay source of verification and method used to determine amount to be disregarded and budgeted.

Deployment to a combat zone can be established through a variety of methods including:

1. The deployed person's military pay record, the Leave and Earnings statement (LES).
2. Orders issued to the military person in which the place of deployment is public record.
3. Contacting the Call Center which has a listing of designated combat zones, as well as a listing of pay items which may or may not be the result of deployment to a designated combat zone

Example 3	<p>John, his wife Bonnie, and their daughter have an open FoodShare case. John is in the military stationed overseas; his monthly income is \$1,000. John sends his wife \$1,000 every month.</p> <p>When John is deployed to a combat zone his pay is increased to \$1,300 a month, which is deposited into a joint account. Because the \$300 is combat pay, it is exempt income and not counted in the determination. The pre-combat pay of \$1,000 is budgeted as unearned income for FoodShare.</p>
Example 4	<p>Dori is in the military and receives \$1,000 per month in wages. Dori's husband Louie and their son Joe have an open FoodShare case. Dori has her military pay directly deposited into a bank account in her name only; Louie has no access to the funds or to the account. Do not count any of Dori's income in the eligibility determination for Louie and Joe.</p>
Example 5	<p>Ben is in the military. His paycheck is \$1,000 a month. He has \$500 directly deposited into his account and \$500 directly deposited into a joint account with his wife, Andrea. The \$500 directly deposited into the joint account is budgeted as unearned income in Andrea's</p>

	FoodShare determination. Since Andrea does not have access to Ben's account, only the amount deposited in their joint account is counted.
Example 6	Tim is in the military making \$1,200 a month. An allotment check of \$1,000 is paid directly to his wife Karla and \$200 to himself. The \$1,000 is budgeted as Karla's unearned income for her FoodShare determination.

Dottie Moore

Disregard as income any penalty payment paid as a result of the Dottie Moore lawsuit by DHS (formerly DHSS) to any Aid to Families with Dependent Children (AFDC) applicant or member. These \$50 to \$200 penalty payments have been ordered by the U.S. District Court for the Eastern District of Wisconsin in Civil Action No. 80-C-118.

Income Tax Refunds, Credits, and Rebates

Disregard income tax refunds, credits, and rebates as income.

Victims of Nazi Persecution

Disregard as income payments under PL 103-286 to victims of Nazi persecution.

Payments to Crime Victims

Disregard any payments received from a state established fund to aid victims of a crime.

Agent Orange Settlement Fund

Disregard payments received from the Agent Orange Settlement Fund, or any other fund established in settling "In Re Agent Orange Product Liability Settlement Fund litigation M.D.L. No. 381 (E.D.N.Y.)." Continue to disregard the payments for as long as they are identified separately. Apply this disregard retroactively to January 1, 1989.

Wartime Relocation of Civilians

Disregard payments under PL 100-383 to U.S. citizens of Japanese ancestry and permanent resident Japanese immigrants or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands West of Unimak Island.

Radiation Exposure Act

Disregard payments from any program under the Radiation Exposure Compensation Act (PL 101-426) paid to compensate injury or death resulting from exposure to radiation from nuclear testing (\$50,000) and uranium mining (\$100,000). Apply this disregard retroactively to October 15, 1990. When the affected person is deceased, payments are made to the surviving spouse, children, parents, or grandparents of the deceased. The federal DOJ makes the payments. Continue to disregard the payments for as long as they are identified separately. Apply this disregard retroactively to October 15, 1990.

Children of Vietnam Veterans Who Are Born ~~With~~with Spina Bifida

Disregard payments received under the provision of the Benefits for Children of Vietnam Veterans Who Are Born ~~With~~with Spina Bifida (PL 104-204). These payments are made to any child of a Vietnam veteran for any disability they experience resulting from the spina bifida. Apply this disregard retroactively to September 26, 1996. Continue this disregard as long as payments are identified separately.

Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970

Disregard reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (PL 91-646, Section 216).

Capital Gains

Disregard capital gains from the sale of a personal asset as income. Profits gained from the sale of an asset continue to be counted as an asset (see Section 4.3.3.3 Capital and Ordinary Gains for policy related to self-employment).

Reverse Mortgage

Disregard reverse mortgage payments made to homeowners. Reverse mortgage payments are loans against the borrower's home and are considered an asset these payments are not considered income.

Payments to Filipino World War II Veterans

Disregard payments from the Filipino Veterans Equity Compensation Fund. The American Recovery and Reinvestment Act (ARRA) of 2009 created the fund for certain veterans and the spouses of veterans who served in the military of the Government of the Commonwealth of the Philippines during World War II. The compensation fund offers one-time payments that may be up to \$15,000 to eligible persons.

Living Independently through Financial Empowerment (LIFE)

The LIFE program provides short-term, monthly cash payments to families, including tribal members, experiencing crises resulting from a domestic violence situation. LIFE payments are designed to meet urgent financial needs such as but not limited to housing, utility payments, and groceries. The LIFE program is only available for a limited time until August 31, 2022. Approved applicants receive \$3,500 over three consecutive months: \$1,500 in month one, \$1,000 in month two, and \$1,000 in month three.

Universal Basic Income (UBI)

Universal Basic Income (UBI) and guaranteed income program payments are disregarded for FoodShare purposes if:

1. Excluded by TANF or Medicaid.
2. The payments are sourced solely from private funds or a mix of private and public funds.

Examples

1. Madison Forward Fund Universal Basic Income (UBI) Program Payments
2. The Bridge Project Guaranteed Income for pregnant individuals.

Priority Health Medicare Over-the-counter (OTC) Allowance

Dual Eligible Special Needs Plans (D-SNP); Over-the-counter (OTC) program; healthy foods/utility credits income are all disregarded for FoodShare.

Mobility management vouchers

Mobility management vouchers are disregarded as income.

4.6.5 Support Payment Deductions

4.6.5.1 Child Support Payment Introduction

The FoodShare child support expense deduction may include only legally obligated or court-ordered child support payments including court-ordered arrearages actually made and/or reasonably anticipated to be made to a non-household member. This information is obtainable through court records and/or the KIDS system (see Process Help, [Section 62.3 Child Support Court Ordered Amount](#)). The average amount an individual is paying on a current obligation is allowed as the expense.

To determine a monthly average when the payment amounts fluctuate, IM workers should follow the same process used to determine prospective income. The average should be the best estimate of amounts paid, but also amounts expected to be paid in the future. The number of months used to calculate the average may vary depending on the amount of fluctuation in the payments. IM workers ~~should~~must document in case comments the number of months used to calculate the deduction and the reason those months were used (see Section 1.2.4.2 Earned Income Verification).

If the member is behind on their court-ordered obligation and making arrearage payments, allow the total amount paid even if it exceeds the court-ordered obligation amount.

Example 1	Mike has a court-ordered child support obligation with Terri for their child in common to pay \$250 a month in child support. Mike has been paying \$250 per month for the past three months. Since this payment amount does not fluctuate, the \$250 per month is budgeted as the child support expense as long as there is a reasonable expectation that Mike will continue to make payments.
Example 2	Ben has a new court-ordered child support obligation with Carrie for their child in common to pay \$265 a month in child support. Because this is a new order and there is no history of payments, determine whether Ben can reasonably anticipate making payments in the future by considering his income and intent to pay. Ben currently receives unemployment compensation that could cover his child support obligation and has stated his intent to pay child support. In this case, the court obligated amount should be budgeted.
Example 3	Alex is a non-custodial parent with a court-ordered child support obligation of \$178 per month. For some time, Alex had been unable to pay child support, but he just started a new job. In this case, there are no payments to average, but since Alex is now working and there is a court order to make deductions from his check to the custodial parent, the court-obligated amount is allowed as a deduction. The IM worker should review the payment amounts at the next renewal.
Example 4	Jane has a court-ordered child support obligation of \$400 per month. Jane is self-employed. She did not make a payment in the previous month. Looking back for the last six months, payments have been sporadic, and the amounts vary from month to month. To determine the best estimate for the deduction, the IM worker should average payments from the past six months as long as there is reasonable expectation that Jane will continue to make payments, even though the amount and payment dates may continue to fluctuate.

Note	Jane has a court-ordered child support obligation of \$400 per month. Jane is self-employed. She did not make a payment in the previous month. Looking back for the last six months, payments have been sporadic, and the amounts vary from month to month. To determine the best estimate for the deduction, the IM worker should average payments from the past six months as long as there is reasonable expectation that Jane will continue to make payments, even though the amount and payment dates may continue to fluctuate.
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[...]

7.3.1 Calculating Overpayment Claim Amounts

7.3.1.7 Notice of Overissuance (Overpayment)

7 CFR 273.18(d)

A Notice of FoodShare Overissuance- ([F-16028](#)), a completed FoodShare Wisconsin Under/Overissuance Worksheet or FoodShare Wisconsin Overpayment Calculator worksheet, ([F-16030A](#)), and a FoodShare Repayment Agreement- ([F-16029](#)) must be sent to the member for all types of claims. ~~Workers following the overpayment establishment process in the BRITS system will meet this requirement since the notices will be systematically generated and mailed to the liable person(s). The FoodShare Repayment Agreement is mailed out at the beginning of the month in the month following the sending of a~~ The Notice of FoodShare Overissuance must show how the claim was calculated.

When claims are established in BRITS, normal operation should result in the Notice of FoodShare Overissuance being generated and mailed the following business day. The FoodShare Repayment Agreement will be generated and mail on the first business day of the month following the Notice Date of the claim). Failure to ensure these notices are sent may result in the claim being invalid or could require it to be recalculated based on when notice is correctly sent to the liable individuals.

Mail all correspondence to the last known address reported to the agency, unless through investigation it is verified that ~~the member they~~ no longer ~~lives/reside~~ at that address. In this instance, agencies must demonstrate and document the due diligence process in obtaining the best-known address for the ~~member~~ liable individuals.

~~If the claim or claim amount was not established at a fair hearing, a notice of adverse action must be provided. The notice of adverse action can be included with the claim notice or mailed separately. If a fair hearing official determines that a claim does exist against the food unit, the food unit must be re-notified of the claim.~~

Attempt a personal contact with the food unit in the initial collection efforts. The agency may request the repayment be brought before the court or addressed in an agreement reached between the prosecutor and accused person.

All Repayment Agreements (RPA) are due by the last working day of the month in which they are sent In all cases, if the FoodShare assistance group is receiving FoodShare benefits, recoupment will take place. If the liable individual(s) signs and returns the repayment agreement, they may make a monthly repayment in addition to the recoupment from the FoodShare benefit allotment.

If FoodShare benefits are not being recouped and the liable individual(s) does not sign and return the FoodShare Repayment Agreement, the overpayment claim may be

considered delinquent. The State of Wisconsin Public Assistance Collection Section will pursue collection action.

If a liable individual fails to make a scheduled payment or underpays, the overpayment claim may be considered delinquent as of the date of the missed payment.

Once a claim is delinquent, it is always delinquent.

7.3.2 Repayment of Claims

7.3.2.1 Repayments ~~and Delinquency~~

7 CFR 273.18(e) (4) and (5)

~~CARES automatically generates A liable person who makes a repayment agreements (RPA) at agreement may not be subject to tax intercept so long as they are meeting the beginning conditions of the month following the month in which a claim is sent.~~

~~agreement. Failure to sign and return a repayment agreement by the due date may result in a claim becoming delinquent. If further delinquency collection action. When a repayment agreement is signed and returned but broken, the required payments are not made, delinquency date would be the claim will become delinquent and will be subject to both tax intercept and monthly repayment. To become delinquent, notice of date the missed payment must be sent to was due (unless the liable person claim was already delinquent when the repayment agreement was completed). A repayment agreement is considered established when it is signed and returned by a liable individual.~~

The policies for monthly repayments are listed on the repayment agreements:

- ~~1. Overpayments that are less than \$500 should be paid by monthly installments of at least \$50.~~

~~Overpayments that are \$500 and above should be paid. Claims must be repaid within a three-year period either by equal monthly installments, or by monthly installments of at least years, but repayment can be negotiated to as low as \$20 per month per liable individual.~~

If more than one claim is established for a liable individual, the additional claim(s) will not be ~~considered~~ delinquent so long as the other claim(s) are being currently paid through an installment agreement or allotment reduction ~~and collection~~. Collection on the additional claim(s) are expected to begin once the prior claim is settled.

If the liable individual has a previous agreement based on a court-ordered amount, they must repay according to that agreement. They must also still sign and return the repayment agreement to avoid further collection action.

A claim is awaiting a fair hearing decision must not ~~subject to the requirements for be considered~~ delinquent ~~debts if the collection status is unknown because, unless it is coordinated through was considered delinquent prior to the courts fair hearing being granted.~~

A claim awaiting a fair hearing decision must not be considered delinquent.

~~Someone who makes a repayment agreement may not be subject to tax intercept as long as they are meeting the conditions of the agreement.~~

~~Attempt a personal contact with the liable person(s) in the initial collection efforts. The agency may request the repayment be brought before the court or addressed in an agreement reached between the prosecutor and accused person.~~

~~All Repayment Agreements are due on the 25th of the month. In all cases, if the liable person(s) is receiving FoodShare benefits, recoupment will take place from their assistance group. If the liable person signs and returns the repayment agreement, they are expected to make a monthly repayment in addition to any recoupment from the FoodShare benefit allotment.~~

~~If FoodShare benefits are not being issued and the FoodShare Repayment Agreement is not signed and returned, dunning notices will be issued through CARES. The local agency may also pursue other collection action. The State of Wisconsin Public Assistance Collection Section (PACS) may also pursue collection action.~~

~~If the FoodShare Repayment Agreement is completed and the liable person fails to make a scheduled payment or underpays, send a dunning notice stating that the group must contact the local agency to renegotiate the payment schedule.~~

~~The liable person must either:~~

- ~~1. Negotiate a new schedule, or~~
- ~~2. Pay the overdue amount and continue to pay based on the previous schedule.~~

If a new overpayment claim occurs for a liable individual and they already have a delinquent claim, the new claim will be determined delinquent unless it is paid in full by the due date listed on the repayment agreement.

Collection

Collect repayment for all existing claims with a balance, including all types of errors, regardless of when the claim was created. Only collect up to the amount of the claim. If the liable person wishes to pay the whole claim at once, they may do so.

Pursue collection of FoodShare claims even if the ~~food unit~~liable individual(s) moves out of a county/tribal area or out of Wisconsin.

The agency that overpaid benefits has the first opportunity to ~~collect~~create an overpayment. If the agency does not act promptly to ~~collect~~create the overpayment, and the group moves, the new agency can ~~begin collection action~~create the claim. The new agency must contact the agency that overpaid the benefits to see if they intend to ~~pursue collection~~create the claim.

7.3.2.5 Tax Intercept

7 CFR 273.18(g)(8)

The State of Wisconsin Public Assistance Collections Section (PACS) uses tax intercept from both state and federal tax refunds and credits to recover overpayments claims

from anyone who has become delinquent in repayment of a claim. To use tax intercept, the overpayment must be considered delinquent.

~~To use tax intercept, the overpayment must be considered delinquent.~~ Delinquency is defined as follows:

Delinquency prior to establishing a repayment agreement is defined as a failure to establish an agreement and make a payment by ~~its~~the due date.

- Once the repayment agreement due date passes, the claim is considered delinquent.
- The repayment agreement due date is the delinquency date.

Delinquency after a repayment agreement is established is defined as failing to make the monthly payment by the due date. ~~The collection system sends a dunning, or past due, notices for the missed payments. The debt~~

- When a payment has been missed, the delinquency date is the date the payment was due, unless the claim was already delinquent prior to entering into the repayment agreement.

Delinquency can occur if:

A signed repayment agreement is not returned with payment by the date listed on the agreement.

Monthly payments stop or are not made in accordance with the completed repayment agreement.

Received payment is less than the amount agreed to in the repayment agreement.

The liable person already has existing overpayments which are delinquent.

To be certified for State and/or Federal intercept, the overpayment must meet all six of the criteria below:

	State Debt Criteria	Federal Data Criteria
1	Valid and legally enforceable	Valid and legally enforceable
2	All error types	All error types
3	\$20	\$25
4	At least 30 days after the notification of the tax intercept.	At least 120 days from notification <u>the date of overpayment delinquency.</u>
5	Free from any current appeals.	Free from any current appeals.
6	Incurred by someone who is not currently in bankruptcy.	Incurred by someone who is not currently in bankruptcy.

Notice and Review

State tax intercept notices include a 30-day fair hearing right. The Division of Hearings and Appeals conducts the fair hearing. Federal intercept notices have a 60-day

administrative review process. The State of Wisconsin Public Assistance CollectionsCollection Section conducts the federal administrative desk review. The memberliable individual must provide evidence showing the claim is not past due or is not legally enforceable. If the memberliable individual cannot provide that evidence, the caseclaim will be sent for intercept.

The caseclaim is not subject to the state tax intercept while under appeal with the Division of Hearings and Appeals. A State fair hearing has no effect on a Federal Tax Intercept Action. A Federal desk review does not stay a Federal tax intercept action.

7.3.3 Overpayment Claims Compromise

7.3.3.11 DHS Compromised Claims

DHS will compromise qualifying overpayment claims on the basis that they will not be repaid in a three-year period. DHS will determine the eligibility for, and which claims qualify for compromise.