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Reach Up

2200 Reach Up (08/08/2008, 08-02)

The purpose of the Reach Up program is to:

A. assist families, recognizing individual and unique characteristics, to obtain the opportunities and skills necessary for self-sufficiency;

B. encourage economic independence by removing barriers and disincentives to work and providing positive incentives to work;

C. support parental nurturing;

D. support parental responsibility and positive parental role models, both custodial and noncustodial;

E. measure the success of the system by what is best for children;

F. improve the well-being of children by providing for their immediate basic needs, including food, housing and clothing;

G. respect the dignity of individuals and families receiving assistance by providing employment, education, and other services through social service delivery systems available to all Vermont citizens and by encouraging the private sector to integrate families receiving assistance into the mainstream of the employment market;

H. recognize the challenges facing many families receiving assistance by minimizing structural financial disincentives to increased earnings and the abrupt termination of assistance before parents are fully integrated into the employment market;

I. conserve state public financial resources by operating the system of aid in a manner that is efficient and avoids federal fiscal sanctions; and

J. conform to the federal TANF law.

2201 Eligibility and Payment Process (05/01/2014, 13-42)

The eligibility and payment process for Reach Up financial assistance consists of steps an applicant takes to request assistance and procedures the department follows to determine eligibility and payments. Steps within the process include:

A. Application for assistance, including a request by an adult for addition to an existing financial assistance group.

B. Orientation provided by the department that all adults in a Reach Up applicant assistance group must attend. The orientation shall provide the family with information about all programs administered by the department, services and referrals available to the family, program requirements, participant responsibilities, consequences of failure to meet responsibilities, and incentives for participation and obtaining employment. (Reach First rule 2113)

C. Documentation of necessary information related to pertinent eligibility conditions including an initial family development plan (FDP) (rules 2322.1, 2330), and, for families who have received 60 or more countable, cumulative months of assistance, compliance with post-60-month FDP requirements (rule 2334) for a period of two consecutive weeks or, in the case of applicants claiming a deferment, supplying verification of and meeting the criteria for the deferment.

D. Determination of initial or continuing eligibility and the amount of assistance.

E. Written notice to applicants and participants of eligibility decisions.

F. Authorization and payment of assistance for which applicants and participants are found eligible.

2202 Eligibility and Payment Definition (07/01/2001, 01-06F)

The department defines eligibility according to state and federal laws and regulations that apply to receipt of Reach Up financial assistance.

The department defines payment as the form, frequency, and method used to pay Reach Up financial assistance to eligible individuals. The department pays assistance to or on behalf of eligible individuals through:

- money grants for Reach Up financial assistance;
- vendor payments from administrative funds for necessary expenses to establish eligibility for or to assure proper use of assistance; or
- vendor payments from Reach Up funds in lieu of money payments.

2203 Case Records (10/01/1993, 93-47)

Permanent written records on each individual case shall be maintained and shall include applications for assistance, factual data, verification of information, budgetary computations, eligibility decisions, payment authorizations and copies of all correspondence.

Case information may contribute in statistical or other general terms to material needed for planning, research, and overall administration of department programs. Individual case data shall, however, be held in confidence under department regulations limiting disclosure of such information identifying a specific applicant/recipient.

Retention of records shall be subject to Federal and State requirements for audit and/or review.

2204 Authorized Representative (10/01/1993, 93-47)

An authorized representative may under specific conditions act on behalf of an applicant/recipient (individual, family group or household group) to carry out specific activities related to establishing eligibility for, obtaining and using aid or benefits made available through department programs.

A judicially appointed legal guardian or legal representative automatically meets the criteria for an authorized representative.

A relative, friend, or other knowledgeable interested party with authority to act for the individual, may act on behalf of an applicant/recipient for Reach Up, who is unable to act for himself/herself due to physical or mental incapacity.

An applicant for Reach Up may, in an emergency precluding the presence of the applicant at a required interview, designate a representative to act on his/her behalf by addressing a letter, naming the individual designated and bearing the applicant's signature, to the department.

2205 Fraud (10/01/1993, 93-47)

Fraud is defined by statute (33 VSA § 141) as:

A. Use of a willfully false statement, representation, impersonation, or other fraudulent device to obtain, attempt to obtain or aid and abet any person to obtain assistance or benefits to which s/he is not lawfully entitled or a larger amount than that to which s/he is lawfully entitled; or

B. Disposition of or knowingly aiding or abetting in disposition of property to obtain assistance to which a person is not entitled or a larger amount than that to which s/he is entitled.

2205.1 Suspected Fraud (05/01/1979, 79-21)

The following criteria will be used to evaluate cases of suspected fraud to determine whether they should be referred to a law enforcement agency.

A. Does the act committed appear to be a deliberately fraudulent one?

B. May the act be an incorrect omission or representation on the part of the client due to error, lack of understanding of eligibility requirements or of his responsibility for providing information to the Department?

C. May the act be a result of Department omission, neglect or error in securing or recording information?

D. Is the act a repetition of the same or similar acts which have been committed previously with subsequent explanation and clarification of the Department?

Examples of instances where fraud might be suspected and referral considered are as follows:

A. The recipient accepts and continues paid employment without notifying the Department after he has been clearly informed of the necessity of such notification.

B. The applicant for or recipient of assistance or benefits fails to acknowledge or report income from pensions, Social Security, or relatives when it is reasonably clear that there was a willful attempt to conceal such income.

C. The applicant for or recipient of assistance or benefits disposes of property (either real or personal) and attempts to conceal such disposal.

The above examples are intended as a guideline; each case will be evaluated individually.

Methods of Investigation (05/01/1979, 79-21)

Any investigation of a case of suspected fraud shall be pursued with regard for confidentiality and protection of the legal and other rights of the individual.

Procedures are established for review and documentation in the case record at all supervisory levels.

Referral to Law Enforcement (05/01/1979, 79-21)

Intent to defraud must be proven beyond a reasonable doubt to convict under the law; the final decision regarding referral to a law enforcement agency shall be the responsibility of the Commissioner.

2205.4 Records and Reports (05/01/1979, 79-21)

The department will maintain such records and submit such reports as deemed necessary by appropriate Federal agencies.

2206 Quality Control Review (05/01/1979, 79-21)

Continuing validation of the accuracy of information obtained through the simplified method and resulting decisions on eligibility and amount of aid or benefits is carried out through a Quality Control review of a random sample of each month's Reach Up caseload, at which time all items of eligibility are verified with the applicant and collateral sources. The focus is on the eligibility and correctness of payment of the case as of the review month from which the sample was selected.

The primary purpose of the validation review is assurance that department policies are clear and consistently applied and that applicants are able to understand and furnish accurate information. Whenever such review indicates possible willful fraud, further investigation and appropriate action shall be initiated.

2207 Domestic Violence (07/01/2001, 01-06F)

The department recognizes that families experiencing the effects of domestic violence may face a threat to the health, safety, and well-being of one or more family members as well as a barrier to economic independence. To encourage and help such families to address the effects of domestic violence, the department shall explain to applicants and participants that they:

- may ask for a deferment or modification to the work requirement (rule 2360);
- may ask for a waiver of the requirement to cooperate in the pursuit of child support (rule 2235.2);
- have a right to confidentiality unless the law requires a report of abuse; and
- may limit voluntary waivers of confidentiality based on criteria they choose, such as time periods or named collateral contacts.

The department shall provide this explanation at the time of application and eligibility review and at any time the department receives information indicating that the applicant or participant, or a dependent child, may be or may have been a victim of domestic violence.

Domestic violence is defined at rule 2301.

2210 Application (02/04/2012, 11-04)

Application for Reach Up is the specific action of completing, signing and submitting an application form furnished by the department that conveys a desire to receive financial assistance or benefits from the department or to have eligibility for such assistance or benefits considered. An application for Reach Up may be considered as an application for Reach First when required or allowed by Reach First rules 2117, 2118. Application forms shall be signed by:

A. the individual applying for such assistance or benefits; or

B. an authorized representative of an individual applying for such assistance or benefits; or

C. where the applicant is incompetent or incapacitated, someone acting responsibly for him.

The date of application, which governs the time limit for rendering and implementing a decision on the application, is the first date on which a signed application form is received in any department office, regardless of whether such application is sufficiently complete for an immediate decision on eligibility.

Since an individual's initial contract(s) with the department may not always result in immediate submittal of a signed application form, all contacts (e.g., in person, by telephone, by mail, by referral from another agency) shall be considered inquiries up to the point of department receipt of a signed application form. Department response to inquiries shall include:

A. Furnishing application form(s);

B. Appropriate explanation of program(s) inquired about, including eligibility standards and criteria;

C. Explanation of applicant rights and responsibilities, including penalties for fraudulent acquisition and use of assistance and/or benefits.

A signed formal application for Reach Up furnished by the department is required to begin action on a request for financial assistance or benefits. Such application may be obtained by calling, writing, or visiting any of the Department’s offices.

Any individuals, previously found ineligible for assistance and/or benefits, who believe their circumstances to have changed or who desire to have eligibility reconsidered, may reapply by submitting an up-to-date signed application form to the Department.

The formal application gives individuals the means to furnish information necessary for a decision, protects them from being ruled ineligible without formal application, informs them of their rights and responsibilities, and provides a basis for appeal if they are dissatisfied with any action of or lack of action by the department.

A relative, friend, or other interested party may assist an applicant in completion of necessary forms. The applicant or spouse, authorized representative, or legal guardian must sign the form and thereby assume responsibility for all information entered.

If an applicant has difficulty in completing an application or statement of need and no other person is available to assist, a department employee may record on a department form information furnished by the applicant. In such cases special care must be exercised to review the information entered before the applicant signs and assumes responsibility for the information.

Application

The individual in whose name an application is filed is designated the applicant, or the head of the applicant group. When a group of individuals apply together for assistance or benefits from more than one department program, it is preferable, although not mandatory, that the same member be designated head of the group for all programs.

For an application to be considered complete, the applicant must provide information about whether any members of the family have been convicted of a felony involving possession, use, or distribution of a controlled substance for an act committed after August 22, 1996.

Termination Due to Support Payment (07/01/2001, 01-06F)

If a family's Reach Up was terminated because of countable child support in excess of the financial assistance grant, either alone or in combination with another reason affecting income eligibility, the department shall reinstate the family's participation in Reach Up effective the first day of the month when all the following conditions are met:

- The family becomes eligible for Reach Up during that month solely because of a loss or reduction of child support within the period of 12 consecutive calendar months beginning with the first full calendar month following the effective date of the Reach Up termination.
- The family has been ineligible for Reach Up since the termination.
- The family requests reinstatement by the 20th day of the month following the month in which the loss or reduction of child support first occurred.
- The family returns the forms required for reinstatement by the end of the month in which they request reinstatement.

During the 12-month administrative period, OCS shall distribute current child support collected on behalf of the family to the family within two days of receipt.

If, during the 12-month administrative period, the amount of monthly child support collected by OCS falls below the minimum amount that would have made the family ineligible when they were terminated from Reach Up, the department shall mail a Reach Up application to the family, along with other forms required to reinstate the family's eligibility.

2210.2 Choice of Program (02/04/2012, 11-04)

An applicant who is eligible for both Reach Up financial assistance and Supplemental Security Income (SSI), with or without the state AABD supplement, shall have free choice to select either program of financial assistance. No individual may, however, receive Reach Up financial assistance concurrently with receipt of federal SSI or state AABD. This prohibition does not preclude designation of a recipient of SSI as payee of a Reach Up grant on behalf of other eligible individuals

Applicants and participants who apply for SSI or are pending a decision on an SSI application shall sign an agreement authorizing the department's recovery of Reach Up from SSI retroactive payments (rules 2330, 2335). Any family whose Reach Up is funded with state funds will reimburse the department according to the specifications in rule 2391.4.

Application

Deadline for Application Processing (01/01/2001, 01-06)

Action on applications shall be completed as soon as possible but not later than within 30 days from date of application for Reach Up. Within this deadline a decision must be made concerning the application and a notice of that decision in writing sent to the applicant.

The above program deadline applies except in unusual circumstances (e.g., where a decision cannot be reached because of failure or delay on the part of the applicant or because of some administrative or other emergency that could not be controlled by the agency, in which instances the case record must document the cause for the delay). Failure to meet the established deadline shall not constitute the sole reason for denial of assistance unless it can be established and documented in the case record that such failure is the result of non-cooperation on the part of the applicant.

2211 Methods of Investigation (02/01/2009, 08-10)

The applicant is the primary source of information about his need and eligibility for aid or benefits. Verification of information furnished on the signed application and through interviews is not required except as specified at 2211.3 Verification or elsewhere in rules.

Reliance on the applicant as the primary source of information to establish eligibility recognizes the right to privacy, but also places responsibility on the applicant to furnish necessary information completely and accurately or, when needed, to give consent to obtain such information elsewhere. The signature of an applicant or spouse, authorized representative, or legal guardian on an application must certify under penalty of perjury that information on the application pertaining to all members of the assistance group is correct and complete. Only one adult applicant signature is required (2208, Application). Department responsibility to assist an applicant to establish eligibility requires careful explanation and interpretation of program eligibility criteria and information needed to assess the applicant's circumstances against such eligibility criteria.

An applicant has a right to refuse to give information, or to submit required proof. Such refusal of information or action necessary to establish eligibility will result in denial or closure of aid or benefits. Willful misrepresentation of applicant circumstances will also result in legal action under fraud statutes. Department staff shall make every effort to assure full applicant understanding of the consequences of refusal to take necessary action to establish eligibility and/or misrepresentation of individual circumstances.

An individual may apply for aid or benefits through another person; for example: an authorized representative; a person acting responsibly for an incompetent or incapacitated individual; surviving relative or estate administrator of a deceased person. The individual acting for the applicant is, in such situations, considered the primary source of information, subject to the same rights, responsibilities and consequences for the applicant as an applicant acting directly for himself.

2211.1 Statement of Need (02/01/2009, 08-10)

The applicant's signed statement of need, contained within the application forms for the programs applied for, is the primary source document for information about the applicant's circumstances.

Application forms are designed to be as clear and simple to complete as possible, with due regard for the information necessary to establish eligibility. Appropriate descriptions of applicant rights and responsibilities, including penalties for willful misrepresentation of circumstances, are set forth immediately before the applicant's signature.

A signed Application form shall be sufficient to apply for Reach Up.

2211.2 Interviews (07/01/2011, 10-16)

An interview is required for all Reach Up applications. Except as specified below, this interview shall be a personal face-to-face interview conducted privately with the applicant, who may have a representative present for assistance. Such interviews may be conducted in the applicant’s home or another mutually convenient location when individual circumstances of health or unusual transportation problems make an office interview difficult.

Methods of Investigation

The department will do telephone interviews of applicants who are not mandatory members of the assistance group when they apply for financial assistance only on behalf of the children in the household; the department will provide a face-to-face interview at the applicant's request. Applicants who meet these criteria include, and are not limited to, caretaker guardians whose income or resources exceed the limits for inclusion in the assistance group or parents who are not included in the assistance group because they receive SSI/AABD benefits.

2211.3 Verification (05/01/2014, 13-42)

Verification, defined as a written entry in the case record of third-party or documentary confirmation of facts stated by an applicant, shall be required for the items listed below when the department is processing an initial application or eligibility redetermination for Reach Up financial assistance. Verification of individual items on this list is required when the participant reports a change in circumstances relating to that item or when the department receives information from some other source that indicates the most recent information reported by the participant may not be correct.

A. All non-excluded income (amount and source).

B. All non-excluded resources, within $200 of the limit.

C. Actual dependent care costs claimed as a work expense and used as a deduction from earned income.

D. Shelter costs incurred.

E. High risk pregnancy for a woman with no dependent children.

F. Paternity of biological father not married to child's mother.

G. Collateral information affecting eligibility or benefits.

H. Application for a social security number if the individual does not have one.

I. Months of TANF assistance received in another state.

Verification may be required for the following, if questionable:

A. Identity and residency.

B. Age, citizenship, or alien status for any member of the assistance group.

C. Any other information that affects eligibility or amount of benefits.

Written verification statements shall include sufficient detail to enable independent reviewer evaluation of the reasonableness of the resulting eligibility decision, including but not limited to a description of method used, dates, sources, summary of information obtained, and any computations required. If the wage earner cannot furnish complete pay stubs or similar verification, a statement of wages must be obtained from the employer.

The department shall verify and document earnings received in the prior 30 days for applicants and participants. For continuing eligibility, earnings must be verified at least once every six months.

However, if the earnings received in this 30-day period are not representative of current or future circumstances, then a best estimate must be made based on information and documentation obtained during the eligibility determination or redetermination. In such cases this alternative figure will be used to estimate monthly earnings.

Methods of Investigation

When earnings have just begun or changed, available pay stubs, a statement from the employer on wages and predicted hours of employment, or similar verification shall be used to make a best estimate of future earnings.

A change in dependent care costs is defined as a change in one or more of the following circumstances relating to the care provided:

A. the rate paid (hourly, daily, weekly, monthly) for required care;

B. person or facility providing care;

C. amount (number of hours per week) of care required; or

D. number of children or incapacitated adults requiring care.

A variation in dependent care costs caused solely by a school vacation, or illness or vacation on the part of the employed participant, lasting no longer than two weeks, shall not be considered a change in dependent care costs.

The following standard is to be applied when monthly dependent care costs vary as a result of minor fluctuations in the amount of employment-related dependent care required. If total dependent care costs paid in the reporting month are no greater than 25 percent above or no less than 25 percent below the most recent monthly dependent care costs, the variation in dependent care costs will not fall within the department's definition of a change in dependent care costs and, therefore, will not require verification.

Verification of income from self-employment requires careful evaluation by the eligibility worker considering the following:

A. If the applicant or participant has been self-employed for a period of time and has reported this income to IRS, the latest income tax return can be used as one source, providing it reflects the current situation, for example, same type of self-employment, approximately the same number of hours and wages for employment.

B. An applicant or participant who has recently become self-employed shall provide a written statement of potential monthly income and shall be required to maintain accurate records (for example, income received, source of income, hours of work) and to provide such records for bi-monthly review. In most cases this bimonthly review will continue until income has been reported to IRS. That income tax return can then be used as the primary source of verification as long as it continues to reflect the current situation.

Denial or closure shall result if an applicant or recipient:

- fails without good cause to submit documentation necessary for verification;
- fails without good cause to consent to verification of any eligibility factor;
- fails without good cause to cooperate in any investigation necessary to support an affirmative decision of eligibility.

Methods of Investigation

Good cause reasons include:

A. Natural disasters, such as fires or floods, having a direct impact on the applicant/recipient or an immediate family member.

B. Illness of such severity on the part of the applicant/recipient or an immediate family member that the applicant/recipient is unable to direct his or her personal affairs.

C. Refusal of an employer to provide earned income verification, or the unavailability of an employer to provide verification before the deadline.

D. Lost or stolen mail which is confirmed by the Postal Service.

E. Refusal of a landlord to verify housing expense.

F. Death of the applicant/recipient or an immediate family member.

G. Inability of a third party (e.g. Social Security Administration) to provide the necessary documentation within the designated time period.

Other reasons may be found to constitute good cause with the approval of the District Director or his or her designee.

2211.4 Collateral Sources (01/01/1987, 86-24)

Contact with sources other than the applicant may be made concerning his eligibility for aid or benefits. These contacts are limited to interviews, telephone calls, or correspondence necessary to obtain information required to make a decision on eligibility. Information requested from collateral sources is limited to the specific eligibility factors in question and may be made without the consent of the client when information by the client is either questionable or insufficient to determine eligibility.

Common collateral sources are relatives, landlords, employers, town officials, Town Service Officers, public records, doctors, medical facilities, etc. Other agencies which have worked with the client are generally the best source of collateral information.

2212 Continuing Eligibility (07/01/2001, 01-06F)

Reach Up benefits continue, as authorized, until changed or terminated due to:

- a change in circumstances,
- expiration of a period of eligibility,
- failure of a participant to provide sufficient information to allow a review of eligibility,
- failure of an adult subject to sanctions to comply with Reach Up services component requirements.

An active participant who refuses to participate in a quality control field review shall become ineligible for continued benefits.

2213 Review of Eligibility (02/01/2009, 08-10)

A complete review of eligibility for continuing benefits shall be conducted periodically, as specified in 2213.1, for all Reach Up assistance groups. An eligibility review using application investigation methods encompasses all conditions and factors of eligibility. Each applicable factor shall be considered, and a decision made and recorded that the factor continues to be met or is no longer met.

A. Participants shall submit a new signed application at every eligibility review and provide current information about individual, family, and household circumstances in relation to program eligibility factors.

B. Interviews shall be required on the same basis as for initial eligibility.

C. Verification, including use of collateral sources as needed, shall be required on the same basis as for initial eligibility.

D. The participant is required to provide information about whether any members of the assistance group have been convicted of a felony involving possession, use, or distribution of a controlled substance for an act committed after August 22, 1996.

An eligibility review shall be complete when all the following applicable actions have been completed:

A. Written notice of the department's decision has been made available to the participant;

B. Any increased aid or benefits granted have been made available through the appropriate payment system, with due regard for immediacy of the participant's need for the increase;

C. Authorization to terminate or reduce aid or benefits has been processed through the appropriate payment systems.

2213.1 Reviews (02/01/2009, 08-10)

All assistance groups shall complete a full review of eligibility every 6 months or, at the discretion of the commissioner, every 12 months.

The eligibility review or period of eligibility for households may be scheduled at intervals shorter than that specified to coincide with known anticipated changes. A scheduled review interval or period of eligibility may not, however, exceed the 12 month limit.

2214 Change of Circumstances (02/04/2012, 11-04)

The department has the responsibility of notifying the applicant of the requirement to report any changes in circumstances within 10 calendar days of the date the change becomes known to the assistance group. Applicants shall report changes that might affect eligibility or the amount of benefits (e.g., changes in income or resources, changes in the size or membership of the assistance group, new address, or termination of school attendance).

Applicants and participants shall notify the district office serving their area, by mail, telephone, or office visit, of any change in individual, family, or assistance group circumstances that may affect continuing eligibility for, or amount of, aid or benefits authorized under any department program. Such changes include, but are not limited to: residence location, family or assistance group composition, employment, income, and resources.

When a change is the addition of an adult to a financial assistance group, all eligibility conditions apply (2201) and are reconsidered for the new assistance group formed by the change.

A change reported for one program shall be considered to have been reported for all programs in which the assistance group is participating; for example, a change reported affecting Reach Up shall be considered reported for Medicaid and 3SquaresVT as well.

The district office shall, upon receipt of a report of changed circumstances, consider such changes in relation to all eligibility factors for all programs through which aid or benefits are currently authorized. If a reported change results in an assistance group's becoming ineligible, assistance shall be terminated for the earliest date for which the processing and notice deadline has not passed. The department shall reduce or terminate financial assistance without minimum advance notice for assistance groups sanctioned for noncompliance with services component requirements.

A description of payment cycles is given at rule 2222.

Reductions and closures resulting from changes reported fewer than ten days before the adverse action approval deadline may take effect for the next following benefit period. This ensures that recipients have a ten-day period in which to provide required verification and that department staff have a ten-day administrative period in which to complete whatever work is necessary to process the change. However, Eligibility Specialists should place a high priority on processing case actions before the next adverse action approval deadline.

When a scheduled review of eligibility will be due in the near future, or when the nature or extent of the change reported otherwise makes a full eligibility review desirable, the District Office may initiate a review in advance of the scheduled time limit.

2214.1 Change of Address (07/01/1994, 94-12)

A recipient of Reach Up shall notify the district office immediately of any change in his domicile advising of his new location and mailing address. Changes of domicile for other than visiting purposes shall require a review of circumstances and recomputation of budgeted need. Failure to so notify the district office may cause delay in receipt of assistance or benefits, can result in incorrect payments or render the department unable to determine continued eligibility to receive assistance. Visits away from his/her domicile of less than 30 days shall not generally warrant a change of address.

A recipient of assistance or benefits who moves outside Vermont with the intent to domicile outside the state shall become ineligible upon abandonment of Vermont residence (rule 2233). Assistance shall continue for one full month following abandonment of Vermont residence to enable the recipient to apply for assistance at his/her new residence.

Deceased Participant (02/01/2013, 12-18)

Eligibility of an individual recipient terminates upon death. Notice of death, processed through the applicable payment system(s), shall automatically cancel continuing payments and/or benefits to or on behalf of the deceased individual. Vendor payments for services incurred by eligible individuals before death shall, however, be authorized and paid, when billed within fiscal time limits.

Surviving members of an assistance group or household may continue eligible for aid or benefits following death of a group member. Continuing eligibility and resulting payment adjustments shall be established through appropriate eligibility review action.

2215 Assistance Pending Fair Hearing (07/01/2001, 01-06F)

Requests for fair hearings must be made within 90 days of the mailing date of the notice of decision.

Except where indicated below, benefits continue without change if the participant requests a hearing before the adverse action date (i.e., no later than the 15th day of the month for midmonth adverse actions or the last day of the month for end-of-the-month adverse actions) and wishes to have benefits continue during the appeal process. However, the participant may request that the adverse action be implemented pending the outcome of the fair hearing.

If the 15th day of the month is on a weekend or holiday, the participant has until the end of the first working day after the 15th of the month to appeal the decision and receive continuing benefits.

If the last day of the month is on a weekend or holiday, the participant has until the end of the first working day in the new month to appeal the decision and receive continuing benefits.

If an adult sanctioned for failure to comply in full with the Reach Up services component requirements fails to comply with sanction requirements, receives a notice of termination, and requests a hearing within 10 calendar days of the notice, benefits for the month in question must be reinstated at the adult's request to the current month's level pending the outcome of the hearing. Assistance for subsequent months is dependent on compliance with sanction requirements (rule 2371).

If aid or benefits continue at the same level and the Human Services Board decision is favorable to the department, then any overpayment received by the participant pending the fair hearing will be subject to recoupment (rule 2225).

If the participant requests that benefits not be continued at the present level (i.e., the adverse action is implemented) and the Human Services Board decision is favorable to the participant, the department must retroactively pay any underpayments to the participant.

If the participant withdraws from the fair hearing process prior to the hearing, the department will seek recoupment or recovery of any overpayment received by the participant as a result of the fair hearing request.

Benefits do not continue without change in the following circumstances:

A. The sole issue is one of state or federal law or policy, or change in state or federal law; or

B. The participant requests not to receive continued benefits pending the hearing; or

C. The department has made a presumption of mismanagement as a result of a participant's nonpayment of rent (rule 2226.7); or

D. A change affecting the grant occurs while the hearing decision is pending, and the participant does not request a hearing after notice of that change.

E. The request for a hearing is made within the 90-day appeal period but not within the time period that allows benefits to continue pending appeal.

2216 Decisions, Notification and Authorization (07/01/2001, 01-06F)

By law, the commissioner is empowered to decide upon applications for benefits and to prescribe the amount of aid to be given. Authority to make case decisions is assigned to district directors or their designees.

Except for the situations listed in 2217.1, applicants and participants receive advance written notice of case actions affecting receipt and amount of benefits.

The department shall use appropriate procedures to authorize benefits and meet immediate and continuing need through the programs for which the applicant or participant is found eligible.

Application Decisions (07/01/1993, 93-33)

Decisions on applications or reapplications for assistance or benefits are classified as:

A. Grants - when need exists, according to Department standards, and all other eligibility conditions of the program are met.

B. Denials - when need does not exist, according to Department standards, or when one or more other eligibility conditions of the program are not met, or when the applicant cannot be located, or when the application is withdrawn by the applicant.

C. Other disposals - when an applicant for current or future assistance or benefits dies before completion of the investigation.

2216.2 Money Payment (07/01/2001, 01-06)

Reach Up financial assistance shall be granted in the amount specified by department regulations and continue until changed. Provided all eligibility factors are met, money payments are granted effective the date of authorization, when the worker actually approves an eligibility decision, or 30 days from (and including) the date of application, whichever is earlier. This effective date applies to all applicants or reapplicants who apply after their eligibility for benefits has ended, except that families meeting the conditions specified in rule 2210.1 for reinstatement shall be granted effective the first of the month child support was reduced or terminated.

The initial grant shall be computed by multiplying the monthly amount of assistance to be granted (obtained by subtracting total net income from the precomputed payment standard) by the percentage below, which corresponds to the calendar day on which the grant is effective. This table is to be used no matter how many days there are in the month.

Percentage of Monthly Grant

Effective Date	Percentage	Effective Date	Percentage	Effective Date	Percentage
1	100	11	67	21	33
2	97	12	63	22	30
3	93	13	60	23	27
4	90	14	57	24	23

Effective Date	Percentage	Effective Date	Percentage	Effective Date	Percentage
5	87	15	53	25	20
6	83	16	50	26	17
7	80	17	47	27	13
8	77	18	43	28	10
9	73	19	40	29	7
10	70	20	37	30-31	3

2216.3 Review Decisions (01/01/1994, 94-12)

Decisions on review of continuing eligibility for assistance or benefits are classified as follows:

A. As is - when need exists, according to Department standards, in the same amount or scope and all other eligibility conditions of the program continue to be met.

B. Changes - when need exists, according to Department standards, in a greater or lesser amount or scope, and all other eligibility conditions of the program continue to be met. (Changes may result from Department error in award under current Department regulations.)

C. Closures - when need no longer exists, according to Department standards, or when one or more other eligibility conditions of the program are no longer met.

Review decisions shall be effective on the next date for which the case action can be processed, subject to any applicable advance notice requirement. If a change becomes known to the Department fewer than ten days before the next adverse action approval deadline, the eligibility worker should attempt to process the necessary case action before this adverse action approval deadline. However, if this is not possible, the decision will be effective for the benefit period which follows the benefit period affected by the adverse action approval deadline described above.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2217.1** **Date of this Memo** **07/31/1980** **Page 1 of 1**

This Memo: [X] is New [ ] Replaces one dated _____

QUESTION: This section does not include those situations where, because of a change in income, the first month of a Reach Up grant would be greater than the second month. Presumably a 10 day notice is required? This would vary from Food Stamps (273.136).

ANSWER: For initial grants this situation can be covered, as in Food Stamps (273.13GS), with one notice letter. For example, a person applies in January, you grant them February 8. You discover their Unemployment Compensation begins in February so that their grant will be less in February than in January. One 220 notice letter is sufficient stating that "your grant will be so much for January and so much for February -- etc."

For ongoing grants, the situation can also be covered by one notice letter as long as it is mailed "at least 10 days" before it takes effect. For example, if the eligibility worker is doing a review in June and has been informed by the recipient that they will have increased earnings in August, one notice can be sent again saying that the grant will be so much for July and so much in August reflecting the decrease due to increased income. This notice fulfills the requirement since it is well in advance of the date the decrease will take affect.

2217 Notice of Decision (03/12/1983, 82-103F)

Applicants for and recipients of Reach Up shall be furnished, prior to implementation of any decision affecting their receipt of such aid or benefits, a written notice which:

A. Specifies the type of action to be taken, and explains the action with reference to dates, amounts, reasons, etc.

B. Includes clear explanation of individual rights to confer with Department staff to request reconsideration of a decision, to request a fair hearing, and to request continuation of benefits pending a fair hearing decision if requested within specified time limits.

Unless specifically exempt, a decision resulting in termination or reduction in the amount or scope of aid or benefits or changing a grant to a protective payment system requires advance written notice of the proposed action. Advance notice must be mailed no less than l0 days prior to the effective date of the proposed action.

Exemptions from Minimum Advance Notice (07/01/2001, 01-06)

The requirement for minimum advance notice of termination, reduction, or change in method of payment shall not apply to decisions resulting from the following:

A. A termination of benefits that results from the sanctioned adult's failure to comply with sanction requirements detailed in rule 2370.

B. A new or amended regulation promulgated under the provisions of the Administrative Procedures Act (3 VSA § 801 et seq.) that will have general and universal effect upon the benefits of a significant number of individuals and a general advance notice of such regulation change has been sent to all participants in the particular program affected.

C. The death of the only participant in a one-person assistance group;

D. The participant's voluntary request for such action as attested to by:

1. Participant's signature, or the signature of authorized representative, on a formal waiver of notice; or

2. Written submittal of information requiring such termination or reduction that contains the participant's clear admission of awareness that the required action will be taken.

E. A change of payee to continue assistance for the use and benefit of eligible children during or following family separation.

Except as indicated below, the notice to the participant must specify that benefits may not be continued pending the decision on an appeal, and the reason why.

2217.2 Money Grant Notice (03/01/1997, 97-9F)

Written notice of assistance granted shall include the following specific information:

A. Grant amount

B. Effective date of first payment

C. Conditions, if any, affecting continued payment (e.g., provisional award)

D. Method of payment (e.g., amount(s) and date(s); protective payment or vendor payment in lieu of regular payment).

Written notice of assistance denied shall include the specific reason for denial.

Written notice of assistance continued shall state that assistance continues "as is" or include the following specific information regarding a change:

A. Current grant amount and changed grant amount

B. Effective date of change

C. Reason for change

D. Method of payment (e.g., amount(s) and date(s); protective payment or vendor payment in lieu of regular payment).

Written notice of assistance closed shall include the following specific information:

A. Current grant amount

B. Effective date of closure

C. Reason for closure.

2220 Money Grants (11/1/13, 13-18F)

A money grant is a direct payment of assistance to or on behalf of, an eligible individual or family to meet need, as established under department regulations.

Reach Up money grants shall be made payable to the caretaker responsible for care and supervision of the eligible child, except when an alternate payee has been designated by court action or under Department regulations. Although the payee of the Reach Up grant is generally a member of the assistance group, a non-recipient caretaker may be designated payee to meet needs of eligible child in his/her care in the following situations:

A. A parent or other caretaker has his/her own needs met through a separate SSI/AABD grant for which he/she is payee in his/her own right.

B. A caretaker is not in need in his/her own right but provides care of eligible child(ren) in his/her home.

A recipient of a money grant shall not knowingly use or access assistance in any electronic benefit transfer transaction in a:

A. retail establishment which sells exclusively or primarily any alcoholic beverages defined in 7 V.S.A. § 2;

B. casino, gambling casino, or gaming establishment; or

C. retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment.

A recipient who uses or accesses assistance in any of the above prohibited electronic benefit transfer transactions shall reimburse the department for the amount of assistance used or accessed in the prohibited transaction.

State law (33 VSA § 124) prohibits assignment, transfer, attachment, trustee process or execution with regard to money grants.

When funds available for payment of SSI/AABD and Reach Up grants are insufficient to provide assistance to all eligible individuals, State law (33 VSA § 114) requires reduction of assistance until sufficient funds become available.

2221 Alternate Payee (05/01/1979, 79-21)

Money grants shall be payable to the following individuals on behalf of a recipient under the conditions specified:

A. The court-appointed legal guardian or legal representative of an Reach Up recipient unable, due to physical, mental or other limitations, to manage his own affairs.

B. A protective payee designated, under department regulations, to act on behalf of an Reach Up recipient who has demonstrated serious problems in management of funds or on behalf of an Reach Up recipient who has refused without good cause to accept employment or training.

C. Vendors of specific goods or services when vendor payment is used in lieu of designation of a third party payee for an Reach Up recipient.

D. A responsible adult acting temporarily in an emergency situation for the payee of an Reach Up grant,

Payment of assistance to a legal guardian or legal representative shall be authorized when a duly certified copy of the decree of appointment of the legal guardian or legal representative is received and filed in the case record, or is seen by an authorized department employee and such fact entered in the case record, or has been verified at the probate office.

Payment of assistance to a protective payee, or vendor payment of Reach Up assistance in lieu of payment to a protective payee, shall be authorized by the district director upon receipt of signed protective payment agreement.

2222 Method of Payment (07/01/2001, 01-06F)

Regular monthly payments in the amount of the authorized grant will be made as follows:

100 Percent Payment Cycle

Except for assistance groups under controlled vendor payments (CVP) (rule 2226.5) or sanction for noncooperation with Reach Up services component requirements (rule 2370), assistance groups on whose behalf the Office of Child Support (OCS) collects child support payments from noncustodial parents (rule 2235) shall be in the 100 percent payment cycle and receive one payment at the beginning of each month to cover the entire month.

60-40 Percent Payment Cycle

All other assistance groups shall receive their grant amount in two payments. They will receive 60 percent at the beginning of the month to cover the first 15 days of the month and 40 percent on or about the 16th to cover the remainder of the month.

Daily payments for the authorized amount will be made in the following situations:

- grants authorized after the regular monthly payments (60 percent or 100 percent) are made for that month or the following month.
- increases authorized for the current month or the following month when payroll closing precludes implementation of the change through the regular monthly payment system.
- other authorized situations, such as controlled vendor payments or benefits issued to correct an underpayment.

2222.1 Vendor Payments (11/15/1996, 96-70)

Vendor payments are defined as all payments made directly to a third party who has furnished goods and/or services to, or on behalf of, an applicant for, or recipient of, aid, benefits or services under Department programs. Vendor payments cover the following types of authorized expenditures:

A. Administrative expense for services required to establish eligibility for assistance or to assure effective use of assistance payments.

B. Maintenance assistance authorized in lieu of direct money payment to the recipient.

C. Special needs payments, (rule 2263.2), when requested by the recipient or issued to home heating fuel suppliers for home heating fuel assistance.

Vendor billing, as defined under 1 and 2 above, shall require prior written authorization by designated Department staff. In specified emergency situations, oral authorization may be given; in such instances, confirming written authorization or approval of a designated staff member shall be required for payment.

Itemized bills shall be submitted in duplicate to the appropriate district office, when so directed, for approval. All other bills shall be submitted, itemized and in duplicate, and accompanied by appropriate written authorization to the State Office in Waterbury. Payment shall be made through established Department and State disbursement channels.

Contracts with specified vendors to provide goods and/or services shall specify acceptable methods of authorization, billing and payment for items covered under the contract.

Method of Payment

Maintenance Assistance (03/01/1997, 97-9)

Vendor payments for maintenance assistance are currently limited to maintenance items authorized, in accord with ANFC protective payment regulations, by a district office employee in lieu of disbursement of the assistance grant to an alternate third-party payee.

Vendor bills shall be paid upon receipt of an itemized bill, in duplicate, accompanied by written prior or confirming authorization.

Administrative Expenses (03/01/1997, 97-9)

Administrative expense required to establish eligibility for assistance is currently limited to professional examination, evaluation and report on medical factors related to eligibility. Payment of reasonable charge for such examination and report shall be approved on receipt of the required written report and itemized bill.

Administrative expense required to assure effective use of assistance payments is currently limited to court costs (but not services of an attorney) incidental to appointment of a legal guardian or legal representative to safeguard the interests of a recipient of assistance. Payment to the court for necessary costs shall be approved on receipt of an itemized bill. Reimbursement to the individual appointed shall be approved on receipt of a written request accompanied by receipted itemized bills.

2223 Deceased Payee (03/01/1997, 97-9F)

A deceased recipient shall not be entitled to payment for any month following the month of death. Funds remaining from a grant paid before death of the payee remain available for use on behalf of the deceased recipient and/or eligible survivors.

Needs of deceased Reach Up recipients shall be removed from the Reach Up grant through the eligibility review process, with assistance continuing in the amount required to meet needs of surviving eligible members.

A payment for a period before the death of the payee will, upon notification, be reissued to one of the following specific individuals:

A. The administrator or executor of the individual's estate, if one has been appointed.

B. A surviving spouse, who was living with or dependent upon the recipient or payee.

C. The new payee of an Reach Up grant.

If a benefit is paid for a period after the death of the payee, a replacement payment shall not occur until the original payment is credited to the department.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 2224 **Date of this Memo** 06/03/1988 **Page** 1 of 1

This Memo: [X] is New [ ] Replaces one dated _____

QUESTION: If an underpayment is discovered after an applicant has been denied or a recipient's Reach Up benefits have been terminated, are we required to pay the amount of the underpayment to the assistance group?

ANSWER: Yes. When an underpayment is identified, it should be paid to the applicant, recipient or former recipient irrespective of his or her current receipt of or eligibility for benefits.

However, any outstanding unrecovered overpayment is to be offset against any underpayment due.

Payment is limited to the amount underpaid in the 12 months preceding the month in which the overpayment is discovered, unless one of the exceptions listed in rule applies.

2224 Underpayments (03/01/1997, 97-9)

Department errors that resulted in underpayment of assistance shall be promptly corrected retroactively under the following conditions:

A. When the information was available to the department at the time the error occurred to enable authorization of the correct amount.

B. Retroactive corrected payment shall be authorized only for the 12 months preceding the month in which the underpayment is discovered. Payments shall be authorized irrespective of current receipt of, or eligibility for, benefits.

C. The retroactive corrective payments shall not be considered as income or as a resource in the month paid or in the following month.

Corrective payments shall be retroactive to the effective date of the incorrect action, not subject to the above limitations, when:

A. Ordered as a result of a fair hearing or court decision.

B. Authorized by the Commissioner as the result of a department decision rendered on a formal appeal prior to hearing.

Retroactive corrective payments will be applied first to any outstanding unrecovered overpayment. The amount of corrective payment remaining, if any, shall be paid to the assistance group.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically supersededed–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2225** **Date of this Memo** **07/20/1988** **Page** **1 of 1**

This Memo: [ ] is New **[X] Replaces one dated** 03/04/1988

QUESTION: If I identify (or QC identifies) a Reach Up case in which there is a missing or incomplete document [such as a missing MRF, SSN, application for an SSN (form 215A), or an unsigned application], the payment would be characterized as "erroneous". Should I recoup the "erroneous" payment?

ANSWER: No. These situations result in technical ineligibility but do not change the amount of the benefit to which the assistance group was entitled. Therefore, because no dollars have been misspent, you should not recoup.

This interpretation does not change the necessity for applicants to complete or provide the documents required for Reach Up eligibility prior to receiving benefits, nor does it alter the requirement that recipients make timely reports of changes in circumstances and comply with requirements associated with those changes (e.g. to apply for an SSN for a newborn).

This interpretation relates solely to rules relative to recoupment to be applied when, in retrospect, a "technical" overpayment or an instance of "technical" ineligibility is discovered.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically supersededed–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2225** **Date of this Memo** **05/27/1997** **Page** **1 of 1**

This Memo: [X] is New [ ] Replaces one dated _____

QUESTION: When an agency error causes a Reach Up overpayment, do we allow the earned income disregards in computing the amount of the grant that may be recouped?

ANSWER: Yes. When the overpayment is a result of agency error, allow the appropriate earned income disregards in computing the maximum recoupment amount.

2225 Overpayments (02/04/2012, 11-04)

Overpayments of assistance, whether resulting from administrative error, client error or payments made pending a fair hearing which is subsequently determined in favor of the Department, shall be subject to recoupment. Overpayment amounts from undisclosed earnings shall be determined in accordance with rule 2275.4. Recovery of an overpayment can be made through repayment by the recipient of the overpayment, or by reducing the amount of payment being received by the Reach Up group of which he is a member.

Except for a case involving fraud, no recoupment need be carried out for individuals no longer eligible for Reach Up if the amount of the overpayment is less than $35.00. Any overpayments of $35.00 or more should be recovered from individuals no longer eligible for Reach Up. However, if after an attempt has been made to recover the amount and continued attempts at recovery would cost as much or more than the amount of the overpayment, further attempt at collection may be waived, with approval of the commissioner or the commissioner's designee.

Overpayments of assistance that are subject to recoupment from a participant's program benefit shall be recouped from the program in which the overpayment occurred. When participants who have been overpaid in one program transfer to—or subsequently apply for and are found eligible in—another program, the overpayment and recoupment shall not transfer to that other program. Any outstanding overpayment amounts may be recovered in other ways authorized under these rules and shall be recouped if the participant returns to the program in which the overpayment occurred.

No recoupment shall be attempted for months of overpayment occurring more than 12 months prior to the date of discovery unless the overpayment was caused by the recipient's willful withholding of information which affected the amount of payment. When a recipient's willful withholding of information caused the overpayment, recoupment of overpayments that took place within a three-year period prior to the date of discovery can be attempted. When an overpayment not caused by the recipient's willful withholding of information began more than 12 months prior to discovery, the department shall recoup only those overpayment amounts occurring during the 12 months prior to discovery.

Recoupment shall be made each month from any gross income (without application of disregards), liquid resources and Reach Up payments so long as the assistance unit retains from its combined income 90 percent of the amount payable to an assistance unit of the same composition with no income. For assistance units with no other income, the amount of the recoupment will equal 10 percent of the grant amount.

If, however, the overpayment results from Department error or oversight, the assistance unit must retain from its combined income 95 percent of the amount payable to an assistance unit of the same composition with no income. For assistance units with no other income, the amount of the recoupment will equal 5 percent of the grant amount.

If the individual responsible for the overpayment is no longer eligible or moves to another assistance group, recovery shall be either from that individual, the original assistance group, the new assistance group or both, at the Department's option as determined by the commissioner or the commissioner's designee.

If through the Department's administrative oversight certain requirements in the Child Support Program are not met, such as support payments not deducted from the first Reach Up benefit, the Department may recoup from the individual or assistance group. If a fraud referral is made, recoupment must be delayed pending the outcome of the fraud investigation.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically supersededed–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2226.1** **Date of this Memo** **07/17/1996** **Page** **1 of 2**

This Memo: [ ] is New **[X] Replaces one dated** 02/23/1996

QUESTION: Rule 2226.1 establishes a presumption of money mismanagement when rent payments to the "current landlord" are, at any given time, in arrears in an amount equivalent to two months or more of the incurred rent. Who is the "current landlord" and what should the eligibility worker do in the following situations:

A. The landlord for the dwelling unit that the Reach Up family currently occupies has provided information documenting that the family's rent payments are at least two months in arrears, the family has been notified of this and has not rebutted the arrearage claim, the advance notice of the adverse action of converting the family's grant to rent vendor (protective) payments has been sent, and the family calls the eligibility worker and requests that the rent vendor payment adverse action be canceled because the family intends to move or the family has found another place to live and will be moving soon, or the family has moved.

B. The same situation as in (A) above except that rent vendor (protective) payments are already in effect when the family calls and the family's request is that rent vendor (protective) payments be terminated because the family intends to move, or because the family has found another place to live and will be moving soon, or because the family has moved.

ANSWER: The family's "current landlord" is the property owner or manager (for rent collection purposes) of the dwelling unit that the family and its possessions now occupy. This property owner or manager remains the "current landlord" until the family has vacated this dwelling unit and removed its possessions from it.

<u>If the family informs the eligiblity worker that it intends to move:</u>

When a family is about to be converted to or has already been converted to rent vendor (protective) payments, the worker should take no action that would cancel the family's conversion to rent vendor payments or terminate its existing rent vendor payment status when a family informs the worker of its intent to move. The worker should explain that rent vendor (protective) payments will continue until the family's essential expenses are current and that moving will not automatically mean that the rent vendor (protective) payments will end. The worker should also explain how, when the family has moved, he or she (the worker) will verify the fact that the family has in fact moved from its current dwelling unit and, once this has been confirmed, how the worker will determine that the family's new rental expenses are current.

<u>If the family has found another place to live and will be moving soon:</u>

If the family states that it has found another place to live but has not yet moved, the worker should follow the process described in the preceding paragraph.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically supersededed–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2226.1** **Date of this Memo** **07/17/1996** **Page** **2 of 2**

This Memo: [ ] is New **[X] Replaces one dated** 02/23/1996

If the family states that it has already moved:

A. Check with the landlord for the dwelling unit from which the family states that it has just moved, to verify that the family has actually moved out with its possessions.

B. Obtain from the family the name, address, and phone number of the new landlord and explain to the family that in order to assess whether protective payments can be terminated, the worker will need to contact the new landlord to confirm that the family is now renting one of his/her dwelling units, and to verify (consistent with rule 2226.6) that the family's first month's rent has been paid and that the family is current in its payment of its rent obligation.

NOTE: Arrearages occurring in the last 12 months and owed to the new landlord for a previous tenancy should be considered in determining whether the family's rent is current.

C. Once the worker has confirmed that the family has moved, explain the housing cost verification process to the client and provide him/her with form 202H for use in verifying these costs (assuming the client has not chosen to use some other type of verification of his/her shelter costs).

2226 Protective Payments (02/01/2013, 12-18)

Protective payments are management of assistance by a third party outside of the assistance group to meet the needs of a dependent child and the adults with whom the child is living. This is necessary when payment of assistance to an adult living with the child would be contrary to the welfare of the child, or when such payments are required as a sanction as indicated below. Management of assistance through controlled vendor payments is optional when the family requests direct payment for housing, utilitites, or other basic needs and meets the requirements at rule 2226.5.

Protective payments are used as follows:

A. Protective payments are used as a temporary measure when difficulty in money management jeopardizes the welfare of the child and when an adult living with the child has the capacity to learn to manage the family's funds in a way to assure proper care of the child. This capacity can be presumed unless there is evidence to the contrary.

   The benefit is paid to a protective payee who is interested in, or concerned with, the welfare of the family. If an acceptable protective payee cannot be found, a substitute form of protective payment known as Controlled Vendor Payments (CVP) is used (rule 2226.5 and Procedures Manual Protective Payments).

   Families with money management problems as determined by the department, should be referred to money management counseling, if available in the community.

   When mental or physical limitations preclude capacity to improve management of funds, legal alternatives shall be pursued. There must be documentation of inadequate physical capability or of mental incapacity that precludes self-care and concern for family welfare. Petition for appointment of a legal guardian or legal representative for an adult living with the child may be initiated by the department.

B. Protective payments for housing are made in cases where an adult living with the child fails to meet services component requirements, according to criteria in rule 2370.

C. Protective payments for housing are made in cases where a parent or caretaker is temporarily absent from the home according to the criteria in rule 2230.3.

2226.1 Money Mismanagement (09/01/1996, 96-57)

The District Director will evaluate evidence of money mismanagement, determine whether the recipient demonstrates the capacity to overcome these problems, and decide whether or not, based on these factors, a protective payment plan is warranted.

A. A determination of money mismanagement shall be made if one or more of the following three criteria are met:

   1. A presumption of money mismanagement which threatens the health or safety of the child shall be made when an applicant's or recipient's rent payments are, at any given time, in arrears in an amount equivalent to two months or more of the incurred rent. Any rent which was incurred but not paid to the current landlord over the previous 12 months and which remains unpaid shall be taken into consideration in determining whether the equivalent of two months' rent has been reached. Rent will be considered overdue for any month when it remains unpaid ten days past the due date.

2. Money mismanagement also exists where the health and safety of the children are jeopardized by the inability of the caretaker to meet basic financial obligations on a regular basis. Such obligations include, but are not limited to, the following:

   a. rent, tax or mortgage payments;

   b. utility or service payments, such as those which provide heat, water and electricity;

   c. the provision of adequate food and clothing.

   If failure to pay bills is threatening the loss of shelter or necessary services, this condition is sufficient to justify authorization of protective payments.

   A determination that protective payments are necessary may be made if a pattern of nonpayment of rent, either alone or in combination with nonpayment of other basic financial obligations, is established.

   A determination of money mismanagement may not be based solely upon the fact that bills are not paid on a timely basis. For purposes of this section, a bill shall be considered paid on a timely basis if paid within ten days of its due date. However, when either the provider issues a second bill for a new service (e.g., a bill for a separate oil delivery), or the bill for a succeeding time period becomes due (e.g., the next month's rent), the issue shall no longer be that of timely payment. The issue shall be whether nonpayment of bills is threatening the loss of services, thereby jeopardizing the welfare of the children.

3. In accordance with Act 158, money mismanagement exists when the health and well-being of the children are jeopardized due to the consequences of unpaid bills for the family's home heating fuel. This standard is met when an Reach Up family owes in excess of $25.00 for home heating fuel on January 31 of the year in which the application is filed. Reach Up families with outstanding fuel bills in excess of this amount on January 31 will have any special needs fuel payments during the following heating season made in the form of controlled vendor payments directly to the family's heating fuel supplier.

   Prior to determining the eligibility of a Reach Up family for payment of rental or mortgage arrearage assistance in the Emergency Assistance program at rule 2853, the department shall determine whether money mismanagement exists under the criteria in this section of Reach Up policy and initiate rent vendor payments where indicated. Potential eligibility for payment of rental or mortgage arrearage shall neither nullify nor affect in any other way any determination made under 2226

B. When the department receives information that money mismanagement may exist under criterion 1 or 2 above, no action will be taken until the department offers the recipient the opportunity to rebut the claim of mismanagement. The recipient will have at least 10 days to seek to rebut the claim.

   The determination of money mismanagement made under criterion 1 or 2 above may be rebutted when a recipient can demonstrate one of the following:

   1. Payment was withheld because of a reasonable exercise of consumer rights arising from a legitimate landlord-tenant dispute, and the recipient has arranged to pay rent (a) into an escrow account with their attorney; or (b) into an escrow account with a bank, if the landlord is in agreement; or (c) into a separate bank account, if the landlord is not in agreement; or (d) to the court, if so ordered, until such time as the dispute is resolved.

A dispute is considered legitimate when:

- the landlord fails to comply with the landlord's obligations of habitability, and
- the tenant gave the landlord actual notice of the noncompliance, and
- the landlord fails to make repairs within a reasonable time and the noncompliance materially affects health and safety, and
- the noncompliance, is not caused by the negligent or deliberate act or omission of the tenant or a person on the premises with the tenant's consent.

Resolution of the dispute is considered achieved when that noncompliance is corrected.

Rent which is not paid to a landlord but which is diverted to make a repair to the recipient's shelter not made within a reasonable time by the landlord or to pay for fuel or utilities for which the landlord is responsible but has failed to pay shall not be considered unpaid rent in the determination of money mismanagement. The repair must be one which materially affects the health and safety of the children. The recipient must present receipts of repairs or purchase of fuel, etc. to document this claim.

If a recipient is already in a protective payment status, including parents sanctioned under rule 2312, when a legitimate landlord-tenant dispute arises, the recipient must set up and pay rent into an escrow account with an attorney or with a bank (if the landlord agrees) or pay rent to the court, if so ordered, to hold the rent pending resolution of the dispute. If a recipient on CVP does not arrange an escrow account, the eligibility worker holds the money in the recipient's Reach Up account pending resolution of the dispute.

Rent payments set aside to pay rent pending resolution of a legitimate landlord-tenant dispute are excluded as a resource (rule 2284). Once the dispute has been resolved, withheld rent payments not paid for shelter are counted as a resource.

2. Payment was not made because the family experienced an emergency or extraordinary event that appropriately required the use of funds.

3. Payment was not made because the family's essential expenses exceed their benefits and available gross income, after deduction of self-employment business expenses and a standard employment expense deduction. In addition, the family is making a good-faith effort to pay for essential expenses. Essential expenses include rent; mortgage and insurance that is part of the mortgage; taxes; fuel; electricity; water; sewer; basic telephone; medical expenses not reimbursable under an assistance program or insurance plan or by a third party; work-related child care expenses not reimbursable under an assistance program or by a third party; food in an amount equal to the 3SquaresVT Thrifty Food Plan for the Reach Up household; and actual and reasonable school expenses. Reasonable school expenses do not include general purpose wearing apparel but do include wearing apparel that is not general purpose, not provided by the school, and required for a specific school activity in which the family member participates. The department determines whether school expenses are reasonable.

   Income and benefits would include all those benefits available to the family to meet needs including, but not limited to, all earned and unearned income, the Reach Up benefit, child support payments and the child support passalong, the Lifeline telephone benefit, the Fuel Program line of credit or crisis benefit, the 3SquaresVT benefit, and the WIC benefit.

The fact that a Reach Up financial assistance payment does not include full rent does not by itself preclude a finding of money mismanagement.

Payee Selection Criteria (07/01/2001, 01-06)

Selection of the protective payee shall be with the parent or caretaker's participation and consent to the extent possible and based on the following considerations:

A. Interest or concern in the welfare of the family demonstrated by regular and frequent contacts, efforts to help at times of crisis, and evidence of friendship beyond that of ordinary neighborly concern.

B. Ability to help the family make proper use of the assistance payment, especially ability in ordinary household budgeting, experience in purchasing food, clothing, and household supplies within a limited income, and knowledge of effective household practices.

C. Availability to work with the family either by being close geographically or with means of transportation, and the necessary time to work closely with the family for their daily needs, household budgeting, and home management problems.

D. Ability to establish and maintain a positive relationship with the family, one that inspires the confidence and respect needed to motivate a desire for change and to acquire new skills.

E. Good character and reliability, a responsible and dependable person who can handle money vital to the well-being of the family and can deal with highly confidential information with respect for the rights of the family.

The following individuals, when qualified through interest in and concern for the welfare of the family, may be selected as protective payee:

A. A relative, friend, or neighbor.

B. Member of a church or community service group.

C. An individual who works with a voluntary or public social service agency (e.g., homemaker or housekeeping aide; practical nurse; health, rehabilitation or housing agency staff member; community aide [O.E.O.], town service officer).

D. A foster parent or other adult supervisor of a minor parent in a supervised living situation.

E. A qualified department employee, subject to conflict of interest limitations, if no other payee can be found. (rule 2226.3)

Qualified employees of the department may serve as protective payees only when no other suitable individual is available. When a department employee is selected, efforts to find another payee outside the department should continue. The case record must show continuing effort to secure a payee outside the department and the reason such efforts have not been successful.

Conflict of Interest Limitation (07/01/1994, 94-12)

To avoid conflict of interest situations, the following individuals are prohibited from serving as payee:

A. State Office staff, District Directors, and District Supervisors.

B. Landlords, grocers, and other vendors of goods and services dealing directly with recipient; i.e., proprietors, administrators or fiscal agents of a nursing home, or social care, Medicaid or non-medical institution, except for superintendent (or his/her designee) of a public institution for mental diseases or for the mentally retarded.

C. The eligibility worker determining financial eligibility for the individual, special investigative or resource staff, or staff handling fiscal processes related to the recipient.

2226.4 Payee Relationship (07/01/1994, 94-12)

A protective payee shall be appointed or terminated by the eligibility worker after review by the District Director. All appointments shall include a written definition of the arrangement defining the responsibilities and objectives of the plan, the authority of the payee, reporting responsibilities and recognition of the rights of the recipient and confidentiality of the relationship.

Services of a protective payee shall be terminated when:

- the client is considered able to manage funds in the best interests of the children, or
- a legal guardian or legal representative is appointed to serve the best interests of the recipient, or
- in the judgement of the eligibility worker, with approval of the District Director, the payee is not performing his/her responsibilities in the best interests of the recipient.

The protective payee has the authority to make decisions about the expenditures of the assistance payment. S/he may make the actual expenditures himself/herself, make them after joint discussion with the recipient, or supervise the recipient's spending. Actual current shelter costs should be met first, then other basic needs such as food, heat, water, and electricity and clothing. Any balance may be applied toward other needs.

Assumption of payments on behalf of the client by a protective payee shall not constitute a contractual arrangement between the Department or the protective payee and any providers of service to the client.

Controlled Vendor Payments (CVP) (02/01/2013, 12-18)

The eligibility worker manages the grant through the controlled vendor payment system (CVP) by authorizing payments or vendor authorizations to pay bills and obtain basic needs. The department places families on CVP when:

- a determination of money mismanagement (rule 2226.1) precludes payment of benefits directly to the family and
- no protective payee has been appointed; or
- a parent is sanctioned for noncooperation with services component requirements (rule 2370), and housing costs must be vendored; or
- a parent or caretaker is temporarily absent from the home (rule 2230.3) and housing costs must be vendored; or
- a parent or caretaker requests direct payment and

  1. the financial assistance grant amount is sufficient to make the requested payments in full,
  2. the provider of housing or other services agrees to accept payment on the same schedule as Reach Up payments are made, and
  3. the provider agrees to the condition that direct payment may cease without notice from the department to the provider.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2226.6** **Date of this Memo** **02/23/1996** **Page 1 of 1**

This Memo: [X] is New [ ] Replaces one dated _____

QUESTION: There is a presumption of money mismanagement due to nonpayment of rent when either advance notice to place the family under the CVP system has been sent or when a family's rent is already being paid by rent vendor (protective) payments. What process should the eligibility worker follow in reconsidering the need for rent vendor (protective) payments in either of these situations if the family states its intent to move, tells the worker that they have found a new place to live and will move soon, or informs the worker that they have moved?

ANSWER: Any redetermination based on rule 2226.6 relating to the rent vendor (protective) payment status of the family as a result of a move or potential move to a new place to live must be preceded by the steps outlined in the Interpretive Memo facing rule 2226.1.

The worker cannot spend more than the authorized grant amount, but can spend less and carry an unspent balance forward to a future month as necessary to budget for one-time expenses such a property taxes, mortgage insurance, and one-time resolution of a landlord-tenant dispute.

In making payments on behalf of the family, the worker shall first pay actual current shelter expenses before other disbursements are made.

Sixty percent of the benefits are available on the first of the month, and forty percent on the 16th. At the discretion of the worker and taking into consideration the portion of benefits available at a given time of the month, a schedule of rent payments will be established to insure that rent payments are kept current.

Any balance remaining in the account when the protective payee is appointed is paid to the payee.

Assumption of payments on behalf of the family by the department shall not constitute a contractual arrangement between the department and any providers of service to the family.

2226.6 Redetermination (07/01/2001, 01-06)

Reconsideration of the need for protective payments and the way in which a protective payee's responsibilities are carried out shall be as frequent as indicated by the family's circumstances, as specified in the Procedures Manual, Protective Payments section.

Once a determination of money mismanagement is made (rule 2226.1), protective payments will continue until the family's essential expenses are current or, in the case of vendor payments made under 2226.1 A 3, at the end of the heating season.

Steps toward judicial appointment of a guardian or other legal representative should be sought (see Procedures Manual P-2230) if, at any time, it appears that the parent or caretaker cannot benefit from the protective payee arrangement. Such steps should also be taken if CVP appear likely to continue beyond two years because efforts have not resulted in improved use of assistance on behalf of the family.

2226.7 Appeal (02/01/2013, 12-18)

If a protective payment system is used, the participant may appeal to the Human Services Board for a fair hearing concerning the following protective payment decisions:

A. Determination that protective payment should be made or continued.

B. The selection of the protective payee.

In cases of a presumption of mismanagement due to nonpayment of rent as determined under criterion 1 of 2226.1 or where housing costs have been vendored due to the parent or caretaker's temporary absence, protective payments shall continue pending the decision of the Human Service Board on the appeal request even if a request for a fair hearing is made before the decision goes into effect.

Determinations of a need for protective payments that are not based on a presumption of mismanagement due to nonpayment of rent, but are:

A. made under criterion 2 of 2226.1, or

B. made as a result of a sanction for failure to meet services component requirements

will not have protective payments made pending the Human Service Board decision if a participant requests an appeal before the decision goes into effect.

INTERPRETIVE MEMO

[X**]** Reach Up **Rule Interpretation** **[ ] Procedural Instruction**

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 2230 **Effective date of this memo** 8/21/2013 **Page** 1 of 1

This memo: [ ] is new **[**X**] Replaces one dated** 3/20/2013

Rule 2301(J) defines dependent child to include an individual who is "18 years of age or older who is a full-time student in a secondary school, or attending an equivalent level of vocational or technical training, and is reasonably expected to complete the educational program before reaching the age of 19 or is not expected to complete the educational program before reaching 19 solely due to a documented disability." A child who will not graduate high school before his/her 19th birthday because of a disability may continue to be eligible for Reach Up through the month of his/her 19th birthday. A child with a disability who will graduate before the age of 19 is eligible only through the month of graduation.

Disability is defined according to the Americans with Disabilities Act as follows:

A. a physical or mental impairment that substantially limits one or more of the major life activities of such individual;

B. a record of such an impairment; or

C. being regarded as having such an impairment.

A child with a learning disability is considered to have a disability under this definition.

Any child who receives or has received special education would qualify under this provision, if otherwise eligible.

To determine if the child receives or has received special education services, it is necessary to verify that the child has or had an Individualized Education Program (IEP) through the school district. The child's parent is given a copy of this IEP, and the parent must agree to it in writing. The parent must provide a copy of the IEP or provide documentation from the school that an IEP exists or existed in the past.

If a parent contends that a disability resulted in the child's inability to graduate before his/her 19th birthday but no IEP was put in place, require that the parent obtain documentation from the child's doctor and the school that supports the parent's contention. Refer the request and supporting documentation to Operations for a case-by-case review to determine eligibility under this provision.

2230 Eligible Child (7/1/2015, 15-08)

An eligible child is defined as an individual who meets all Reach Up criteria of need, age, and residence. An individual qualifies under the age criterion as a child if he or she is under l8. In addition, an 18-year-old child is eligible if he or she is a full time student in a secondary school or an equivalent level of vocational or technical training and is expected to complete high school or the equivalent program before reaching his or her nineteenth birthday. Children who are eligible for Reach Up on the day before their eighteenth or nineteenth birthday remain eligible for Reach Up for the full calendar month during which their eighteenth or nineteenth birthday occurs.

An eligible child must also be living with a parent or a qualified caretaker. A parent or qualified caretaker may apply and be found eligible to participate in Reach Up on behalf of a child who is not yet in the home or is temporarily absent from the home. Eligibility for Reach Up assistance may continue, in certain circumstances, during the temporary absence of either the child or parent/caretaker from the home.

Physical aspects of the home and care of the child that appear to be below minimum standards of health and decency shall not limit eligibility as long as the child lives with the relative or qualified caretaker. Improvement of detrimental conditions shall be attempted through casework and related services; if hazardous conditions continue, protective action shall be initiated under applicable laws and regulations.

The parent or caretaker responsible for care and supervision of the child shall be a person of sufficient maturity to assume this responsibility adequately. Parents and children living together must be included in the same assistance group. Another relative or caretaker living in the same household with the parents and children, who has assumed responsibility for the care and supervision of the children, can only be added to the assistance group if the parents are incapable of providing care and supervision for some reason, such as mental incapacity.

Qualified Caretaker (7/1/2015, 15-08)

A qualified caretaker is a relative or unrelated adult acting in loco parentis (taking the role of a parent). A caretaker may be defined as a qualified caretaker if he or she meets the following conditions:

A. Is a person who is fulfilling a parental role which is in the best interest of the child(ren) and is providing physical care, guidance, and decision-making related to the child(ren)'s health, school, medical care and discipline.

If a parent of the child(ren) can be reached (for example, the parent is incarcerated), the decision to name a designated caretaker will be made after consultation with that parent.

Best interest of the child will be presumed when the child's life is able to continue as normally as possible in the absence of one or both parents, where there is no substantiated evidence of child abuse or neglect or other evidence of violence or criminal behavior by the caretaker, and where there is a pre-existing relationship with the child and the parent.

B. Is fulfilling this role because the parent(s) is not in the home due to death, incarceration, extreme illness such that the parent is unable to provide guidance, or or abandonment where there is no available relative able to care for the child, or where placement of the children with a relative would be considered unsuitable. The caretaker may be considered a more appropriate choice than an available relative due to the child's existing relationship to the caretaker and/or the caretaker's ability to provide quality care and guidance to the child.

2230.2 Home (7/1/2015, 15-08)

A home is defined as the family setting maintained, or in process of being established, in which the parent or caretaker assumes responsibility for care and supervision of the child(ren). However, lack of a physical home (i.e. customary family setting), as in the case of a homeless family is not by itself a basis for disqualification (denial or termination) from eligibility for assistance.

The child(ren) and parent or caretaker normally share the same household. A home shall be considered to exist, in certain circumstances, during the temporary absence of either the child or parent/caretaker from the customary family setting.

2230.3 Temporary Absence from the Home (7/1/2015, 15-08)

In all cases where a child or parent/caretaker is or will be absent from the home for a period of 30 days or more, the parent or caretaker must notify the department, advising of the reason for the absence, the designation of the alternate payee (if applicable), and the parent/caretaker's intent to maintain a home for the child during the absence. All temporary absences of a parent or caretaker exceeding 30 days shall be subject to verification and approval by the department. Temporary absences of a child or parent/caretaker must not be expected to exceed 180 consecutive days. The Reach Up program Director or his or her designee shall have the sole discretion to determine whether a temporary absence is expected to exceed 180 consecutive days.

A. Temporary Absence of a Parent or Caretaker

1. A parent or caretaker who is temporarily absent from the home to receive inpatient or outpatient care from a hospital, substance abuse treatment facility, or other medical institution for a period greater than 30 days, but not expected to exceed 180 consecutive days, may continue to receive Reach Up assistance if the following criteria are met:

    i. The parent or caretaker continues to maintain a home and be responsible for the child;

    ii. The parent or caretaker has arranged for a responsible adult to care for the child and to be designated as the alternate payee of the Reach Up grant during the absence;

    iii. The parent or caretaker plans to return to the home at the end of the absence; and

    iv. The household continues to meet all other eligibility requirements for Reach Up.

2. A parent or caretaker who is temporarily absent from the home for reasons other than to receive medical care as specified under (A)(1) (e.g. to handle a family emergency, seek employment, or out-of-home visits) may continue to receive assistance for a period not to exceed 30 days.

3. For absences beyond 30 days, the department shall provide housing expenses by vendor payment if a housing allowance is included in the grant. Housing expenses include rent, mortgage, property taxes, insurance, allowable maintenance and repair, and room and board. If there is any balance remaining after the housing expenses are deducted, the remaining amount shall be paid to the designated alternate payee in two payments. Sixty percent of any remainder shall be paid within the first half of the calendar month and forty percent within the second half of the month.

4. Needs shall be budgeted pursuant to rule 2264.

5. Reach Up assistance will terminate when the parent or caretaker has been absent from the home for more than 180 consecutive days.

2230.3 Temporary Absence from the Home (7/1/2015, 15-08)

B. Temporary Absences of a Child

1. Temporary absences of a child from the home, not expected to exceed 180 consecutive days, are limited to the following, unless the department determines that the child's circumstances are substantially similar to those described below:

   i. The child is receiving care in a hospital, substance abuse treatment facility, or other medical institution;

   ii. The child is placed in the custody of the Department for Children and Families pursuant to a court order and reunification with the parent or caretaker is the permanency planning goal; or

   iii. The child is incarcerated.

2. Temporary absences of a child from the home exceeding 180 consecutive days are limited to a child attending school pursuant to rule 2261.3.

3. The parent or caretaker of a child who is temporarily absent from the home for any of the above reasons shall continue to receive Reach Up assistance as long as the following criteria are met:

   i. The parent or caretaker with whom the child is living continues to maintain a home for the child;

   ii. The parent or caretaker plans for the child to return to the home at the end of the absence; and

   iii. The household continues to meet all other eligibility requirements for Reach Up.

4. Reach Up assistance on behalf of a child who is temporarily absent from the home for reasons other than those specified under (B)(1) and (2) (e.g. out-of-home visits) may continue for a period not to exceed 30 days.

5. Needs shall be budgeted as though the child were living in the home of the parent or caretaker.

6. Reach Up assistance on behalf of the child will terminate when the child has been absent from the home for more than 180 consecutive days. Reach Up assistance on behalf of a child who is away from home attending school pursuant to rule 2261.3 may continue beyond a 180-consecutive-days absence through the solely state-funded program.

C. Separation of Child and Parent or Caretaker at Time of Application

Benefits may be approved for an applicant if the child and parent or caretaker will be living together in the home within 30 days after disbursement of the first Reach Up payment. The department may exercise its discretion to extend this time period up to 180 days in order that unique situations may be addressed on an individual basis, but has no obligation to do so.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 2231 **Date of this Memo** 08/27/1985 **Page** 1 of 1

This Memo: [ ] is New [X] Replaces one dated 07/24/1985

QUESTION: A minor child is living with her parents all of whom are on a Reach Up grant. This child becomes pregnant and has a baby. What are the proper procedures to follow in the situation described above?

ANSWER: The child and grandchild are to be removed from the grandparents' Reach Up unit and granted assistance as a separate Reach Up unit. It is recommended that either the grandmother or grandfather be the alternate payee of the grant for the minor child and grandchild, unless the minor child insists on having the grant in her name in which case we must abide by her wish.

The only exception to this rule will be in situations in which the minor parent is the only child on the grandparent's (s') Reach Up grant and the grandparent(s) wish to continue to receive Reach Up benefits. In these cases the minor parent and her child will receive assistance as members of the grandparent's (s') Reach Up unit.

2231 Eligible Parent (7/1/2015, 15-08)

An eligible parent is defined as an individual who:

A. Lives in the same household with one or more eligible biological, legally recognized, step, or adopted children; and

B. Is not in receipt of benefits under the SSI/AABD program; and

C. Has met all other eligibility requirements set forth by these regulations (for example, cooperation with Reach Up services component requirements or obtaining a social security number).

The parent of a disabled child receiving SSI/AABD is also an eligible parent. Both parents, if living in the same household with eligible children, must be included in the Reach Up assistance group, unless subject to the five-year bar for qualified aliens, as specified in rule 2240.

In the case of a pregnant woman having no children in her household, the pregnant woman's expected delivery date must fall within the next 30 days or, if she meets at least one of the conditions specified in 2240 C2, within the three month period following the month of application, and it has been determined that the child, if born, would be eligible for Reach Up. In addition, a Reach Up grant to an assistance group that includes a pregnant woman cannot be increased solely on the basis of her pregnancy.

When a pregnant woman with no children is living with her spouse or the biological father of her expected child, the department shall not include the needs of the spouse or biological father in the assistance group. The income and resources of the spouse, however, shall be considered in determining the pregnant woman's eligibility for Reach Up.

A parent whose parental rights have been terminated does not qualify as an eligible parent.

2231.1 Shared Custody (7/1/2015, 15-08)

When two parents share custody of a child, and **both** parents have applied for Reach Up and have claimed the same child as a member of their household, the eligible parent shall be determined according to the following table. In most cases, the eligible parent will be determined according to the Parental Rights and Responsibilities (PR&R) Agreement, regardless of where the parents claim the child is actually living.

Custody Situation	Eligible Parent
One parent has sole legal and physical responsibility pursuant to a Parental Rights and Responsibilities (PR&R) Agreement	The parent with sole legal and physical responsibility is the eligible parent.
One parent has physical responsibility for the child more than half of the time pursuant to a PR&R agreement.	The parent with physical responsibility for more than half of the time is the eligible parent.
The parents share physical responsibility for the child equally pursuant to a PR&R agreement.	The parent who applies first is the eligible parent.
The parents share physical responsibility for the child equally in the absence of a PR&R agreement.	The parent who applies first is the eligible parent.

When a parent, who does not have physical responsibility for a child more than half of the time, is the only parent to apply for Reach Up financial assistance, that parent will remain the eligible parent until the other parent applies for assistance and claims the child as a member of the household.

When there is a dispute between the parents as to the division of physical responsibility, in the absence of a PR&R agreement, the first parent to apply for assistance will remain the eligible parent until the other parent provides sufficient evidence to verify that the child primarily lives in the second household. This evidence includes, but is not limited to:

A. Current day care records;
B. Current school records;
C. Current medical records; or
D. Collateral statements from neighbors.

When adequate verification has been submitted by the other parent that is sufficient to prove that the child primarily lives in the second household, the first household shall be given 10 days to provide verification proving that the child primarily resides in the first household. If the first household does not provide verification proving that the child primarily resides in the household, the parent in the second household shall be the eligible parent.

Multi-generational Households (7/1/2015, 15-08)

Minor parents living in the same household as their parents shall be permitted to have their eligibility determined separately from their parents, regardless of whether the parents are eligible for Reach Up financial assistance. One of the parents shall be designated as the alternate payee, unless the minor parent chooses to be the payee of the grant. However, minor parents may choose to be included in their parents' assistance group. Minor parents who choose to be included in their parents' assistance group shall be subject the requirements in rule 2336. Minor parents receiving their own grant do not meet the definition of "eligible child" under rule 2230 because they are not considered in need as defined by rule 2250, and therefore, the minor parent's parents do not qualify as eligible parents in relation to the minor parent.

2232 Needy Essential Person (02/01/2009, 08-10)

An individual (other than the parent of an eligible child whose relationship automatically qualifies him or her for inclusion in the Reach Up assistance group) is deemed as an essential person and shall be included in the assistance group if he or she fulfills all of the following criteria:

A. The essential person lives in the same household with the applicant/recipient; and

B. He or she is not eligible in his/her own right for SSI/AABD or Reach Up, but is in need according to Reach Up standards.

C. He or she furnishes specific care and/or services which the applicant/recipient cannot perform himself or herself and which is deemed essential and which would need to be provided otherwise if the "essential" person were not in the household. This type of service includes:

1. The provision of child care which enables a caretaker relative to work on a full-time paid basis outside the home;

2. Care for an incapacitated family member in the home;

3. The provision of child care that enables a caretaker relative to receive training full time;

4. The provision of child care that enables a caretaker relative to attend high school or General Educational Development (GED) classes full time;

5. The provision of child care, not to exceed a period of two months, that enables a caretaker relative to participate in Job Search or other Reach Up work programs.

To determine the need of an essential person who is not the spouse or parent in the assistance group, see rule 2221.

The determination of the essential person must be approved by a Supervisor.

When an "essential" person qualifies for either SSI/AABD or Reach Up, his/her needs shall be met only through application for and grant of aid in his/her own right. Such individuals shall not be included in an assistance group as a "needy" essential person.

2233 Residence (10/01/1993, 93-47)

State law (33 VSA § 1101) provides that, to be eligible for Reach Up, an individual shall be a resident of Vermont at the time of application for such assistance. A "Vermont resident" is defined as an individual who is domiciled voluntarily within Vermont regardless of the duration of such domicile. (To be "domiciled" is to be physically present in Vermont and to have an intent to make Vermont one's home, that is, not to be in the State for a temporary purpose, or with respect to a child, the state in which he or she is living on other than a temporary basis.) If such a person applies for Reach Up in Vermont and is eligible but is receiving benefits from another State, the grant should be computed for the overlapping periods. If the payment level in the other State equals or exceeds that of Vermont the application should be denied. If Vermont's payment level exceeds that of the other State, the balance can be given in a grant for the overlapping period.

A resident can also be one who is living in the State, and is not receiving assistance from another State and entered the State with a job commitment or seeking employment in the State (whether or not currently employed). A child living with a caretaker who qualifies under this definition is a resident of the State in which the caretaker is a resident.

For an individual coming into Vermont and going to a medical facility (e.g., hospital, nursing home, or mental hospital) to acquire medical care, see rule 242l.

Vermont has no citizenship requirements. An alien lawfully admitted for permanent residence or permanently residing in the United States authorized by law according to Immigration and Naturalization Service (INS) records, is eligible for Reach Up provided he or she meets all applicable eligibility factors. Aliens illegally residing in the country are not eligible for assistance.

Residence is retained until abandoned. "Abandonment" of Vermont residence is defined as a move outside Vermont with the intent to domicile outside Vermont.

A recipient of public assistance shall retain Vermont residence during temporary absence from Vermont for any of the following purposes:

A. visiting;

B. obtaining necessary medical care;

C. obtaining education or training sponsored under a program of vocational rehabilitation, work incentive or higher education.

Intent to return to Vermont upon achieving the purpose of such temporary absence shall be supported by appropriate substantiating facts. In all cases where a recipient is to be absent from the state for a period of 30 days or more, the recipient must notify the District Director responsible for his case, advising of her\his new location, mailing address, and his\her intent in respect to residence. Failure to so notify the District Director may cause delay in receipt of assistance or Department inability to determine continued eligibility to receive assistance.

Residence — Committed Child (10/01/1993, 93-47)

The residence of a child committed by a Vermont Juvenile Court to the care and custody of the Family Services Division is Vermont, regardless of where the child is actually living. Eligibility on the basis of Vermont residence continues as long as the commitment order is in effect.

Residence

A child committed to the care and custody of another state shall be considered a resident of that state, even though actually "living" in Vermont, and thus ineligible for assistance (Reach Up) from Vermont.

Federal and State law (section 406 of the Social Security Act; 33 VSA § 1101 and 1102) require that, to be eligible for Reach Up, a committed child shall be living:

A. In a licensed or approved foster home in which he has been placed by the department (Reach Up-FC); or

B. In the home of a relative, as defined for any dependent child (Reach Up).

Foster care placement and supervision under applicable Child Services regulations shall meet the criteria of residence in foster care.

2234 Social Security Numbers (07/01/2001, 01-06F)

The department will notify applicants or participants that it uses social security numbers in the administration of the Reach Up program.

The department will advise applicants how to apply for social security numbers and will not delay, deny or discontinue assistance while the issuance and verification of such numbers is pending.

Refusal of any member of the assistance group to furnish, verify, or apply for a social security number shall make that individual ineligible for assistance.

2235 Support Obligations and Payments (02/04/2012, 11-04)

Physical absence of a parent from the home, for any reason, does not relieve the parent of legal responsibility for support of dependent children. Any payment of Reach Up financial assistance made to or for the benefit of a dependent child creates a debt due and owing to the Department for Children and Families (DCF) by any noncustodial parent. The amount of said debt shall equal the amount of Reach Up paid, unless the Family Court rules otherwise, or unless the Office of Child Support (OCS), on behalf of the commissioner, enters into a voluntary agreement with the responsible parent to limit the debt, or unless the noncustodial parent presents a court order that limits said debt.

Participating parents who receive assistance through a Solely State Funded Program (2180-2183.1) shall assign all child support rights to the DCF. The participating parent shall apply for services from the OCS, if not already receiving such services, and cooperate fully with the OCS in their efforts to collect the assigned support. The department shall deny or terminate assistance to participating parents, caretaker relatives and guardians who fail or refuse to apply for services from OCS.

Assignment of Support Rights (02/04/2012, 11-04)

Assignment of support rights is the legal procedure by which a person receiving public assistance agrees to turn over to the state any right to child support, including arrearages, paid by the noncustodial parent in exchange for receipt of a financial assistance grant and other benefits. The state will use a portion of such child support to defray or recoup its expenditures for Reach Up financial assistance.

Assignment of support rights is a condition of eligibility for Reach Up financial assistance. This requirement applies to parents and other caretakers and may not be waived. Assignment of support rights to the department means all rights to support from any other persons applicants for financial assistance may have, including rights to support in their own behalf or on behalf of any members of the Reach Up assistance group.

The biological parent will sign the assignment of support rights when one of the parents is a stepparent, regardless of which parent is the applicant.

Cooperation With Child Support (07/01/2001, 01-06F)

A parent or other caretaker of a child included in the Reach Up assistance group shall be required to cooperate in all practical and feasible means of establishing parentage and pursuing support from any noncustodial parent, unless good cause for refusal to cooperate is claimed and the decision is pending or granted.

Failure to cooperate, as determined by OCS, shall result in a 25 percent reduction in the amount of the family's Reach Up grant.

Areas in which the applicant's active cooperation is required include, but are not limited to:

A. Identifying and locating the parent of a child included in the assistance group.

B. Establishing the parentage of a child born out-of-wedlock included in the assistance group.

C. Obtaining support payments for the applicant or participant and for a child included in the assistance group.

D. Obtaining any other payments or property due the applicant or participant or the child.

E. Appearing at times and places as requested to provide information or give witness at a judicial hearing.

F. Paying to the child support collection agency any child support payments received after an assignment of support has been made.

The department shall notify OCS of all noncustodial, legally liable relatives of children included in the Reach Up assistance group within two working days of the time assistance is granted, unless a request for a waiver from the requirement to cooperate is pending. The department must notify the applicant or participant of the right to request a waiver based on good cause (rule 2235.3) as an exception to the cooperation requirement.

Information provided to OCS is subject to verification with the applicant or participant.

2235.3 Good Cause for Refusal (07/01/2001, 01-06)

The department shall excuse a Reach Up financial assistance applicant or participant from cooperating with the establishment of parentage and pursuit of support when there is, in the departments judgment, good cause for noncooperation. Good cause exists when the department determines that cooperation is not in the best interest of the child for whom assistance is requested and is reasonably anticipated to result in any one of the following:

A. Serious physical or emotional harm to the child for whom support is being sought.

B. Physical or emotional harm to the participant parent or caretaker so serious that it reduces the ability to care for the child adequately.

C. At least one of the following circumstances exists, and the commissioner or the commissioner 's designee agrees that, because of the existence of that circumstance in the particular case, requiring a parent or other caretaker to cooperate in proceedings to establish parentage or pursue support would be detrimental to the child for whom support would be sought:

1. The child for whom support is sought was conceived as a result of incest or forcible rape;

2. Legal proceedings for the adoption of the child are pending before a court of competent jurisdiction, or

3. The applicant or participant is currently being assisted by a public or licensed private social agency to resolve the issue of whether to keep or relinquish the child for adoption, and the discussions have not gone on for more than three months.

2235.4 Request for Waiver (07/01/2001, 01-06)

A parent or other caretaker requesting a waiver of the cooperation requirement must provide evidence of a good cause circumstance or sufficient information to permit the department to determine the circumstances. A grant to a potentially eligible assistance group shall not be denied, reduced, or delayed pending a good cause decision.

When good cause is claimed, the penalty for noncooperation (rule 2235.2) will not be imposed as long as the individual is fully cooperating in obtaining evidence necessary to support waiver of the cooperation requirement. Upon request, the eligibility worker will provide reasonable assistance in obtaining evidence to support the claim.

At its discretion, the department may verify the evidence received or seek additional evidence necessary to evaluate a good cause claim. In processing requests for waiver of the cooperation requirement, the department will:

A. not contact the noncustodial parent from whom support would be sought unless such contact is determined to be necessary to establish the good cause claim; and

B. notify the parent or other caretaker of the child, prior to making such necessary contact, to enable the individual to:

1. present additional evidence or information so that contact with the noncustodial parent becomes unnecessary;

2. agree to the contact;

3. withdraw the family's request for assistance; or

4. refuse to allow the contact after being advised that this refusal will result in denial of the good cause claim.

Acceptable evidence upon which the department will base a determination of good cause includes, but is not limited to, documents such as law enforcement records; court documents; criminal records; birth certificates; medical records; social service, child protective services; or psychological records; records of adoption proceedings; and sworn statements from individuals, other than applicant or participant, with knowledge of the circumstances. Statements must be sworn to before a person authorized to take sworn statements, such as a notary public, justice of the peace, or county clerk.

If additional evidence is needed, the applicant or participant must be promptly notified of the type of documentation required.

Whenever the waiver request is based in whole or in part upon the anticipation of emotional harm to the child, the participant parent, or the caretaker, the present emotional state and health history of the individual subject to emotional harm must be considered as well as the extent of involvement of the child in the establishment of parentage or support enforcement activity to be undertaken. A finding of good cause for emotional harm may only be based upon a demonstration of an emotional impairment that substantially affects the individual's functioning.

When a claim is based on the applicant's or participant's anticipation of serious physical harm, no evidence is submitted in support of the claim, and the eligibility worker believes the claim to be credible, the claim will be investigated by the eligibility worker, with assistance from the child support worker if appropriate, to determine whether the applicant or participant has good cause for refusal to cooperate. The request and any available documentation should be submitted to the commissioner or the commissioner's designee.

On the basis of the evidence, the commissioner or the commissioner's designee will determine whether cooperation would be against the best interest of the child for whom support would be sought. This determination will be made within a time frame that does not exceed 30 days from the day good cause claim is made, except when the required verification cannot be obtained within that time frame. The department will not deny, reduce, or delay assistance pending good cause determinations if the requester is cooperating in the collection of evidence.

OCS is prohibited from attempting to establish parentage or collect support in cases where the caretaker claims good cause for refusal to cooperate until a decision has been made regarding the waiver request. OCS may, however, attempt to establish parentage and collect support without the cooperation of the parent or other caretaker following a decision by the commissioner or the commissioner's designee that this can be done without risk to the child.

Review of Good Cause Waivers (02/04/2012, 11-04)

A review of the continued existence of good cause circumstances upon which the waiver was granted is required no less frequently than at each redetermination of eligibility for those cases in which determination of good cause is based on a circumstance that may change. A formal decision based upon resubmission of evidence shall not be required, however, unless the eligibility worker determines that significant change of circumstances relative to good cause has occurred.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically supersededed–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2236** **Date of this Memo** **08/10/1982** **Page** **1 of 1**

This Memo: [X] is New [ ] Replaces one dated _____

QUESTION: We are confused as to whether some refugees are considered sponsored aliens. Please clarify? Also, can a sponsor be a charity or institution?

ANSWER: No. Refugee, according to present definitions, is a "sponsored alien", Excluded Income of Sponsored Aliens, states this. Also for detailed definition of a refugee, see rule 3000. All refugees are covered by rules in the 3000 section. As far as we know there are no sponsored aliens receiving assistance in Vermont at the present time.

Present federal policy does not allow an institution to be a sponsor in terms of this rule. Only an individual or a family can be a sponsor.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically supersededed–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2236** **Date of this Memo** **12/16/1993** **Page** **1 of 1**

This Memo: [X] is New [ ] Replaces one dated _____

QUESTION: May family members who have not been admitted with lawful status and are, therefore, illegal aliens but are living with a relative who was legalized according to the provision of the Immigration Reform and Control Act of 1986 (IRCA) ever be eligible for Reach Up benefits?

ANSWER: Yes, under certain conditions according to the Family Unity provisions of the Immigration Act of 1990. Individuals may be granted a "temporary stay of deportation" and an authorization to engage in employment in the United States if the Immigration and Naturalization Service (INS) determines them to be "eligible immigrants". The resident status of any applicant can be verified by utilizing the Systematic Alien Verification for Entitlements (SAVE) program.

To be an "eligible immigrant" the individual must:

A. be the spouse or unmarried minor (or 18 yr. old who will graduate by nineteenth birthday) child of an alien legalized in accordance with the provisions of IRCA; and

B. have entered the U.S. before 5/5/88; and

C. have resided in the U.S. on 5/5/88; and

D. not be lawfully admitted for permanent residence.

Individuals legalized under IRCA are ineligible for Reach Up for a 5-year period from the date their temporary resident status is granted. Family members who are considered by INS to be "eligible immigrants" are ineligible for Reach Up for the same 5-year period as their legalized family members. After the 5-year period has expired, the legalized individual and their family members in "eligible immigrant" status may receive Reach Up if they meet all other eligibility factors.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically supersededed–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2236** **Date of this Memo** **03/09/1995** **Page** **1 of 1**

This Memo: [X] is New [ ] Replaces one dated _____

Clarification:

Recently there have been changes in Immigration and Naturalization Service (INS) policy which invalidates the Green Card, (Form I-151), and necessitates a Green Card Replacement Program. By March 20, 1995, all aliens must apply for a replacement Green Card, (Form I-551). Apparently this new form is more secure and machine-readable.

Lawful Permanent Residents (LPR) in possession of Form I-151 who are eligible candidates for naturalization may choose to apply for naturalization in lieu of replacing the card. Filing for naturalization will not extend the validity of the card, however.

If Form I-151 expires prior to naturalization being authorized, the replacement Form, I-551 will be required until naturalization is official.

The applicant may retain his or her Form I-151 during the replacement procedure. The new form will be mailed to the applicant's home address.

During the I-151 replacement program. Eligibility workers should continue to use the SAVE (Systematic Alien Verification for Entitlements) procedures when verifying the status of an alien application with Form I-151. Agencies may still submit a photocopy of Form I-151 along with INS Form G-8455, Document Verification Request, for secondary verification.

An individual's eligibility or benefits will not be interrupted during the replacement program.

2236 Citizenship (02/01/2009, 08-10)

As a condition of eligibility for Reach Up an individual must be:

A. A citizen or national of the United States or

B. A qualified alien.

Exception: Certain qualified aliens are barred from Reach Up for five years.

Reach Up applicants must declare citizenship and alien status on the application. Non-citizens must provide documentation of immigration status. The state may undertake to document citizenship or identity through one or more data-system cross matches that may be available for such purposes. If the state obtains the needed documentation, the individual need not provide additional proof in this regard.

A. Citizens and Nationals

A "U.S. citizen" is:

1. An individual born in the 50 states, the District of Columbia, Puerto Rico, Guam, Virgin Islands, and the Northern Mariana Islands (except for individuals born to foreign diplomats);

2. A naturalized citizen; or

3. An individual who otherwise qualifies for U.S. citizenship under §301 of the Immigration and Nationality Act (INA), 8 U.S.C. 1401.

A "national of the United States" is an individual who:

1. is a U.S. citizen or

2. though not a citizen, owes permanent allegiance to the United States.

As a practical matter, non-citizen nationals include individuals born in American Samoa or Swain's Island. For purposes of determining Reach Up eligibility, including verification requirements, citizens and non-citizen nationals of the United States are treated the same.

B. Qualified Aliens

A "qualified alien" is:

1. A lawful, permanent resident;

2. A refugee, including

a. Individuals admitted to the United States under § 207 of the Immigration and Nationality Act (INA);

b. A Cuban or Haitian entrant, as defined in § 501(e)(2) of the Refugee Education Assistance Act of 1980;

c. An Amerasian, admitted to the United States under § 584 of the Foreign Operations Export Financing, and Related Programs Appropriation Act, 1988 (as contained in § 101(e) of Public Law 100-202 and amended by the 9th proviso under Migration and Refugee Assistance in title II of the Foreign Operations Export Financing, and Related Programs Act, 1989, Public Law 100-461, as amended);

3. An asylee, as defined in § 208 of the INA;

4. An alien whose deportation has been withheld under:

   a. § 243(h) of the INA, as in effect prior to April 1, 1997 (the effective date of § 307 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), division C of Public Law 104-208);

   b. § 241(b)(3) of the INA, as amended by section 305(a) of division C of Public Law 104-208;

5. An alien who has been granted parole for at least one year by the USCIS under § 212(d)(5) of the INA;

6. An alien who has been granted conditional entry under § 203(a)(7) of the INA;

7. A battered alien as defined at 2242.7 C;

8. A victim of a severe form of trafficking, in accordance with § 107(b)(1) of the Trafficking Victims Protection Act of 2000; or

9. An American Indian, born outside the U.S. and who enters and re-enters and resides in the U.S. is, for Reach Up purposes, considered a lawful permanent resident and, as such, a qualified alien. This includes:

   a. An American Indian who was born in Canada and who is of at least one-half American Indian blood. This does not include the non-citizen spouse or child of such an Indian or a non-citizen whose membership in an Indian tribe or family is created by adoption, unless such person is of at least 50 percent American Indian blood.

   b. An American Indian who is a member of a federally-recognized Indian tribe, as defined in § 4(e) of the Indian Self-Determination and Education Assistance Act, 25 U.S.C. 450b(e). Abenaki is not a federally-recognized tribe.

C. <u>Battered Alien</u>

To qualify as a "battered alien" for purposes of establishing qualified alien status, the following condition must be met:

1. The individual must be:

   a. A victim of battering or cruelty by a spouse or a parent, or by a member of the spouse or parent's family residing in the same household as the victim and the spouse or parent consented to, or acquiesced in the battery or cruelty; or

   b. The parent of a child who has been such a victim, provided that the individual did not actively participate in the battery or cruelty; or

   c. The child residing in the same household of such a victim.

2. The individual must no longer be residing in the same household as the perpetrator of the abuse or cruelty.

3. The individual must have been approved for legal immigration status, or have a petition pending that makes a prima facie case for legal immigration status, under one of the following categories:

a. Permanent residence under the Violence Against Women Act (VAWA);

b. A pending or approved petition for legal permanent residence filed by a spouse or parent on USCIS Form I-130 or Form I-129f;

c. Suspension of deportation or cancellation of removal under VAWA.

D. Five-Year Bar for Qualified Aliens

Immigrants who enter the United States on or after August 22, 1996 as qualified aliens are not eligible to receive Reach Up for five years from the date they enter the country. If they are not qualified aliens when they enter, the five-year bar begins the date they become a qualified alien. The following qualified aliens are subject to the five-year bar:

1. Lawful permanent residents (LPRs);
2. Aliens granted parole for at least one year;
3. Aliens granted conditional entry (however, as a practical matter the five-year bar will never apply to such aliens, since, by definition, they entered the U.S. and obtained qualified alien status prior to August 22, 1996); and
4. Battered aliens.

The following qualified aliens are not subject to the five-year bar:

1. Refugees;
2. Asylees;
3. Cuban and Haitian Entrants;
4. Victims of a severe form of trafficking;
5. Aliens whose deportation is being withheld;
6. Qualified aliens who are (1) honorably discharged veterans, (2) on active duty in the U.S. military or (3) the spouse (including a surviving spouse who has not remarried) or unmarried dependent child of an honorably discharged veteran or individual on active duty in the U.S. Military;
7. Aliens admitted to the country as Amerasian immigrants;
8. Lawful permanent residents who first entered the country under another exempt category (i.e., as a refugee, asylee, Cuban or Haitian entrant, trafficking victim, or alien whose deportation was being withheld) and who later converted to the LPR status;
9. Immigrants who entered the United States and became qualified aliens prior to August 22, 1996; and
10. Immigrants who entered prior to August 22, 1996 and remained "continuously present" in the United States until becoming a qualified alien on or after that date. Any single absence of more than 30 consecutive days or a combined total absence of 90 days before obtaining qualified alien status is considered to interrupt "continuous presence."

    a. Immigrants who do not meet "continuous presence" are subject to the five-year bar beginning from the date they become a qualified alien.

b. Immigrants do not have to remain continuously present in the United States after obtaining qualified alien status.

11. Members of a Federally-recognized Indian tribe; and

12. American Indians born in Canada to whom Section 289 of the INA applies.

2237 Special Cases of Ineligibility (07/01/2001, 01-06F)

Regardless of whether they meet all other eligibility requirements for Reach Up, certain families and individuals are ineligible for Reach Up. The following subsections define these special cases.

2237.1 Strike Participants (07/01/2001, 01-06)

The term "strike" includes any strike or other concerted stoppage of work by employees, including a stoppage by reason of the expiration of a collective bargaining agreement, and any concerted slowdown or other concerted interruption of operations by employees.

Participating in a strike means the act of stopping, slowing, or otherwise interrupting work in concert with others to obtain demands from the individual's employer.

The department will deny or terminate assistance to a family in which a parent is on strike. If another member of the assistance group is on strike, the needs of that individual will be removed from the assistance grant payable to the family. The department will consider such individual's income and resources available to the family if the individual is legally liable for the child.

Closure or reduction of the Reach Up grant will apply to the period in which the individual is participating in a strike as soon as administratively possible.

2237.2 Residence in Two States (07/01/2001, 01-06)

The department will deny or terminate assistance to individuals convicted in federal or state court of having made a fraudulent statement or representation with respect to their place of residence to receive assistance simultaneously from two or more states. Such individuals shall be ineligible for a 10-year period beginning with the date of conviction. The department will consider such individuals' income and resources available to the family. For any month beginning after the President of the United States grants a pardon with respect to the conduct which was the subject of the conviction, the individual shall be deemed eligible.

Fugitive Felons and Probation and Parole Violators (07/01/2001, 01-06)

The department will deny or terminate assistance to individuals who flee from justice to avoid detection, prosecution, or punishment after a felony conviction or who violate a condition of probation or parole imposed under federal or state law. The department will consider such individuals' income and resources available to the family. For any month beginning after the President of the United States grants a pardon with respect to the conduct which was the subject of the conviction, assistance will be not be denied.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Procedural Instruction**

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 2238 **Effective date of this memo** 7/1/2016 **Page** 1 of 1

This memo: [X] **is new** **[ ] Replaces one dated** _____

Act 172 of 2016 amended 33 V.S.A. § 1108(d) to expand the types of work activities a participant who has reached the 60-month time limit may engage in order to continue receiving assistance.

Effective July 1, 2016, a family with a participating adult who has received 60 or more countable, cumulative months of Reach Up financial assistance or cash assistance funded by a TANF block grant in another state may continue to receive assistance if each participating adult is fully complying with Reach Up services component requirements and:

1. The participant is deferred from his or her work requirement for one of the reasons listed in rules 2363, 2363.1, or 2363.2; or

2. The participant is engaged in any of the countable work activities listed in rules 2350.1-2350.11, rule 2351, or any other work activity recognized in accordance with Title IV-A of the Social Security Act for the number of hours equal to the participant's work requirement.

2238 Time Limits (05/01/2014, 13-42)

A. A family in which a participating adult has received 60 or more countable, cumulative months of Reach Up financial assistance or cash assistance funded by a TANF block grant in another state, shall be ineligible for assistance under the Reach Up program, unless each participating adult is fully complying with Reach Up services component requirements and:

1. The participant is deferred from his or her work requirement for one of the reasons listed in rules 2363, 2363.1, or 2363.2;
2. The participant is engaged in a community service placement and, if necessary, any additional countable work activities for the number of hours equal to the work requirement; or
3. The participant is employed and, if necessary, engaged in any additional countable work activities for the number of hours equal to the work requirement.

B. The count for the time limit on assistance begins with July 1, 2001. Each full or partial month for which a participant receives financial assistance counts toward the 60-month time limit. A month in which only support services are received by an employed participant does not count toward the 60-month time limit. In a two-parent family in which the parents have not received assistance for the same number of months, the time limit is based on the parent who has received assistance for the greater number of countable months. Assistance received under the Postsecondary Education, Reach First, and Reach Ahead programs does not count toward the 60-month limit.

A month in which financial assistance is received does not count toward the 60-month time limit if the participant is deferred from his or her work requirement for a full calendar month for one or more of the following reasons:

1. The participant is unable-to-work pursuant to rule 2363.2;
2. The participant is caring for a child during the first 12 months of a possible 24-month deferment granted pursuant to rule 2363(c) (NOTE: no more than 12 cumulative, deferred months shall be exempt from counting toward the 60-month time limit in a participant's lifetime);
3. The participant is affected by domestic violence pursuant to rule 2363.1; or
4. The participant is needed in the home on a full-time basis to care for an ill or disabled parent, spouse, or child pursuant to rule 2363(F).

Time Limits

C. The time limit shall not apply in the following cases:

1. Single or two-parent families with at least one parent under the age of 18;
2. A dependent child living with a non-parent caretaker who is not in the assistance group; or
3. A dependent child living with a single parent who receives SSI/AABD benefits, or with two parents who both receive SSI/AABD benefits.

2238.1 Termination after 60 Months (05/01/2014, 13-42)

For families who have received 60 or more countable, cumulative months of assistance, noncompliance with Reach Up services component requirements, without good cause, or not fulfilling the work requirement, regardless of good cause, will result in termination of the family's Reach Up grant. Good cause shall be determined according to rules 2372 and 2373.

Reapplication after 60 Months (05/01/2014, 13-42)

A. A family whose Reach Up grant was terminated for either noncompliance or not fulfilling the work requirement, without good cause, after having received 60 or more countable, cumulative months of assistance may be eligible for assistance at any time following a break in assistance of at least two months.

B. A family whose Reach Up grant was terminated for a reason other than noncompliance or not fulfilling the work requirement, without good cause, after having received 60 or more countable, cumulative months of assistance may be eligible for assistance at any time following termination of the grant.

C. A family whose Reach Up grant will be terminated for a reason other than noncompliance or not fulfilling the work requirement, without good cause, must continue to comply with all Reach Up requirements until the grant is terminated; a family who does not comply with these requirements and does not have good cause for not complying, will not be eligible to receive benefits for two months from the date the grant is terminated.

D. Assistance shall be paid only upon complying fully with post-60-month FDP requirements (rule 2334) for a period of two consecutive weeks or, in the case of applicants claiming a deferment, upon supplying verification of and meeting the criteria for the deferment. A family whose application is denied for not completing the two-week period of compliance or supplying verification of a deferment may reapply at any time.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Procedural Instruction**

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 2240; 2271; 2276(B) **Effective date of this memo** 7/1/2016 **Page** 1 of 1

This memo: [ ] is new **[X] Replaces one dated** 8/1/2015

Act 172 of 2016 amended 33 V.S.A. § 1103(c) to reduce the amount of a parent's Supplemental Security Income (SSI) payment the Department must count when determining the amount of the family's Reach Up financial assistance from $125.00 to $115.00.

If both parents receive SSI, a maximum of $115.00 of the parents' combined SSI payments will be counted. A child's SSI payment will **not** be counted, even if a parent receives the payment on behalf of the child. Caretakers' SSI payments will not be counted.

The Department will count up to $115 of the SSI payment received by a parent as unearned income for the Reach Up assistance group. Parents who receive SSI will continue to be excluded from the Reach Up assistance group for all other purposes.

2240 Formation of the Assistance Group (02/04/2012, 11-04)

An "assistance group" is defined as one or more individuals whose requirements, income, and resources are considered as a unit to determine need for financial assistance.

A Reach Up assistance group must include one or more eligible dependent children. In addition, the assistance group must include all siblings. including half-siblings, living with the dependent child or children and qualifying under the age criteria, as defined in policy. A parent must be included in the assistance group if the parent lives in the home with a child included in the assistance group. A parent whose residence in the home is interrupted by active duty in the uniformed services of the United States or by education, training, or employment away from home must be included in the assistance group.

There are three exceptions to the requirement that a Reach Up assistance group include at least one eligible child. They are:

A. A family in which the only dependent child (or children) is a disabled child recipient of SSI/AABD benefits.

B. A family that consists of a pregnant woman (with or without the father or stepfather of her unborn child) having no children in her household when either the woman self-declares on her Reach Up application or it has been medically verified that the pregnant woman's expected delivery date falls within the next 30 days and it has been determined that the child, if born, would be eligible for Reach Up.

C. A family that consists of a pregnant woman (with or without the father or stepfather of her unborn child) having no children in her household when high risk pregnancy has been medically verified, or by self-declaration on her Reach Up application if the applicant is a pregnant minor, and the pregnant woman's expected delivery date falls within the three-month period following the month of application but not within the next 30 days and the following two criteria (a and b) have been met:

1. The child, if born, would be eligible for Reach Up.

2. The pregnant woman meets at least one of the following conditions:

- The pregnant woman is a minor. In addition, when a woman has been eligible for and receiving Reach Up financial assistance as a pregnant minor, and her 18th birthday falls before the 30th day immediately preceding her expected delivery date, her eligibility for Reach Up on the basis of being a pregnant minor continues through the end of the pregnancy.

- The pregnant woman is not a minor and requests consideration for early Reach Up eligibility on the basis of her belief that she is unable to work due to a high-risk pregnancy and is found eligible on this basis.

  A pregnant woman who has been determined disabled by the state's disability determination agent for Medicaid in accordance with applicable requirements of the Social Security Act shall be presumed to be unable to work due to a high-risk pregnancy.

  The ability to work of all other pregnant women having no children in their household who seek Reach Up benefits before the 30th day immediately preceding the pregnant woman's expected delivery date (and who are not eligible as minors and not members of the grandparented group identified in the following bullet) shall be determined on the basis of a case-by-case assessment of the

medical conditions present, to what degree those conditions are controlled or modified by treatment, and other relevant medical factors.

This determination shall be made by the commissioner or his or her designee on the basis of medical evidence provided by the woman's obstetrician, nurse-midwife, or other qualified medical professional (as determined by the commissioner or his or her designee) and obtained by the pregnant woman, and additional medical data when deemed necessary by the commissioner or his or her designee, which he or she shall obtain from the treating obstetrician, nurse-midwife, or other qualified medical professional, or on a consultative basis.

Medical professionals who perform examinations required to enable the department to determine a pregnant woman's ability to work due to a high-risk pregnancy will be provided reasonable reimbursement from administration funds.

The determination of a pregnant woman's ability to work shall be based on whether she can perform any substantial gainful activity which exists in the local or adjacent labor markets and shall not be limited to a determination of whether she is able to perform work in which she is currently or has been previously engaged. Non-medical factors, including but not limited to previous employment history, current employment status and availability of alternative sources of income support, and health-related factors, such as a pattern of substance abuse on the part of the pregnant woman, or other high-risk behaviors on her part, shall not be the basis of a determination that a pregnant woman is unable to work due to a high-risk pregnancy.

In the case of a pregnant woman seeking Reach Up benefits on this basis, the department shall determine eligibility no later than 10 calendar days following receipt of all information necessary to make the eligibility decision.

- The pregnant woman is eligible for and receiving Reach Up benefits on the basis of pregnancy on June 30, 1996, and continues to be eligible on that basis.

The assistance group may also include the following individuals when they are living in the same household:

A. A needy caretaker.

B. A needy essential person.

The assistance group shall not include an individual receiving benefits under the SSI/AABD program. Income and resources of a SSI/AABD recipient shall be excluded from consideration in determining income and resources for the Reach Up financial assistance group. For purposes of this rule, the terms “SSI/AABD recipient” and “individuals receiving benefits under the SSI/AABD program” include disabled individuals who received SSI/AABD, became gainfully employed, and were subsequently granted 1619(b) status by the Social Security Administration. They shall continue to be considered SSI/AABD recipients during any months in which their 1619(b) status remains in effect, whether or not they receive an SSI/AABD payment during those months.

An individual participating in the Job Corps program who normally returns home on weekends is entitled to be a member of the Reach Up financial assistance group.

The assistance group shall not include a sibling or a parent subject to the five-year bar for qualified aliens. The income and resources of such a sibling shall not be considered in determining the eligibility and

payment of otherwise eligible dependent children. The income of such a parent is considered available to otherwise eligible children after applying the following disregards.

A. The standard employment expense deduction (rule 2275) for each employed parent or the amount of earned income of the employed parent, whichever is less. In no case can the amount of the standard employment expense deduction for an employed parent exceed the amount of his or her gross earned income after deduction of any allowable self-employment business expenses.

B. All payments by such parents of alimony or child support for individuals not living in the household.

C. An amount equal to the need standard which is the sum of:

- the basic needs standard for a family size corresponding to the number of individuals, including the parents, who are or could be claimed as dependents for income tax purposes by the parents and
- the actual shelter expense up to the maximum applicable to the family's county of residence.

D. Amounts paid by the parents to individuals not living in the house but who are or could be claimed by the parents as dependents for income tax purposes.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2241** **Date of this Memo** **10/12/2006** **Page 1 of 1**

This Memo: [X] is New **[ ] Replaces one dated** _____

Update:

When a caretaker applies for Reach Up for children who are not siblings, eligibility shall be determined for two or more assistance groups, each group consisting of one or more children who are siblings or half-siblings (rule 2240). If the caretaker is needy, the caretaker's needs shall be included in only one assistance group.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2241** **Date of this Memo** **10/25/2011** **Page** **1 of 1**
This Memo: [X] is New [ ] Replaces one dated _____

Update:

The rule at 2241 (A) allows for budgeting housing in a child-only caretaker grant if the caretaker charges for housing. The language in that provision specifies that a housing allowance is allowed up to the housing allowance maximum (rule 2263). The rule at 2263, Housing Allowance, which defines housing expense and sets the maximum monthly housing allowances, also contains a provision that housing allowances shall not exceed the maximum stated in the rule.

The rule at 2261.4 (C) specifies, however, that a special needs housing allowance may be budgeted for assistance groups actually incurring housing expenses in excess of the applicable maximum.

For the purposes of the rule at 2241 (A), if a caretaker charges more than the maximum housing allowance, the members of a child-only assistance group shall be considered as actually incurring an excess housing expense and shall have a ratably reduced special needs housing allowance included in their grant.

2241 Caretaker (7/1/2015, 15-08)

A caretaker is defined as an individual other than a natural, step, or adoptive parent whose relationship to one or more eligible children qualifies the caretaker for inclusion in the Reach Up assistance group. If a parent living in the home is incapable of exercising parental obligations, both the parent and a caretaker living with the children and responsible for the children's care and supervision may be included in the assistance group. There can be only one person designated as the caretaker for the assistance group at any given time.

The needs of caretakers eligible for either SSI/AABD or Reach Up shall be met only through such financial assistance in their own right.

The department shall take the following steps to determine eligibility for one or more children living with a caretaker other than a parent and for the caretaker.

A. Eligibility of the Child's Assistance Group Without the Caretaker

First, the department shall determine the eligibility of the childrens' assistance group without the caretaker. The assistance group is formed according to rule 2240 and must meet all requirements for Reach Up eligibility. A housing allowance may be included in the assistance groups needs, up to the housing allowance maximum, if the caretaker charges for housing.

If the children’s assistance group is not eligible for Reach Up, the caretaker is not eligible either.

B. Eligibility of the Caretaker

If the children's assistance group is eligible, the department shall find out whether the caretaker responsible for the child seeks Reach Up financial assistance. If so, the department shall determine whether the caretaker is needy. A caretaker is needy if the caretaker meets the financial eligibility criteria for Reach Up eligibility.

To determine whether the caretaker meets these criteria, the department considers the income and resources of the caretaker and the following persons, if any, living with the caretaker and one or more eligible children: the caretakers spouse, minor children, and other tax dependents. The caretakers group does not include the children eligible for Reach Up.

For the caretaker to be considered needy, the combined countable resources of the caretakers group, as defined above, must not exceed the Reach Up resources maximum. Countable resources are determined according to Reach Up rules.

The combined countable income of the caretakers group is determined according to the rules for initial Reach Up eligibility, as if the caretakers group were the assistance group. Payments made by a member of the group to a person outside the home who is or could be claimed as a tax dependent may be deducted from that members earned income.

For the caretaker to be considered needy, the combined countable income of the caretakers group must not exceed the ratably reduced needs of the caretakers group, determined according to Reach Up rules. The housing allowance included in this determination, combined with the housing allowance included in the eligibility determination for the children's assistance group with the caretaker, must not exceed the caretakers total housing costs.

If the income and resources of the caretakers group meet the financial criteria described in this subsection, the caretaker is needy. If they do not, the caretaker is not needy and is not included in the children's assistance group.

C. Inclusion of the Needy Caretaker in the Children's Assistance Group

Once the department has determined the caretaker needy, the caretakers needs may be included in the children's assistance group, along with the caretakers income. When the caretaker is included in the child's assistance group, only the caretakers shelter expenses, up to the maximum housing allowance, are included in the groups needs.

If the caretakers income exceeds the difference between the ratably reduced needs for the children's assistance group without the caretaker and the ratably reduced needs for the same group with the caretaker, the caretaker should not be included in the assistance group. This insures that the caretaker's income is not used to support a child for whom the caretaker has no support obligation.

Resources of a caretaker who does not have the legal responsibility of a parent to support the child are not considered available to the child. The caretaker's income is also not considered as available to the child unless the caretaker has indicated a commitment to make ongoing monetary contributions toward the support of the child. In such cases only the income actually contributed to the child, considered unearned income to the child, would be counted.

D. Minor Parent Living with a Caretaker

A needy caretaker for a minor parent shall not be included in the minor parent’s assistance group unless the minor parent chooses to be included in the assistance group with the needy caretaker. Regardless of whether the caretaker is included in the minor parent’s assistance group, the caretaker shall be designated as the alternate payee, unless the minor parent chooses to be the payee of the grant. Minor parents who choose to be included in an assistance group with a needy caretaker shall be subject the requirements in rule 2336.

2242 Unmarried Parent with a Child-in-Common (01/01/2009, 08-20)

In situations where unmarried parents eligible in their own right have a child-in-common whose paternity has been established by birth certificate, court order, or written acknowledgement by both parents, the grant shall be budgeted as a single assistance group. For example, if a father with a child by a previous marriage shares a home with a woman with a child by a previous marriage, each is eligible in their own right. If subsequently they have a child, the entire household shall be rebudgeted as a single assistance group.

2250 Need Determination (04/01/2008, 08-02)

Need is defined as the lack of income or other resources in sufficient quantity to provide a reasonable subsistence compatible with decency and health. Establishment of need is a basic eligibility requirement and, therefore, shall be determined at initial application or reapplication and at each subsequent review of eligibility, including changes of circumstances.

2251 Method for Determination of Need (04/01/2008, 08-02)

Financial need is established through the following computations:

A. Budgetary comparison of the assistance group's available net monthly income to the payment standard.

B. Comparison of the assistance group's available assets to the combined resources limitation (see 2261).

Standards for basic requirements, common to all individuals and families, have been established to simplify determination of need and to ensure equitable consideration for all individuals in similar circumstances.

Financial need, and the amount thereof, shall be established when budgetary computation shows a deficit (e.g., requirements exceed income) and resources are within the maximum allowed. If either condition is not met (e.g., budgetary computation shows surplus or resources total above maximum), the applicant/recipient shall be ineligible, due to lack of financial need.

2252 Ratable Reduction (03/01/2004, 03-19)

Because funding is insufficient to meet 100 percent of the need standard, payment to an eligible Reach Up assistance group is based on a calculation that limits it to 49.6 percent of the groups needs.

The groups Reach Up grant is determined according to the following steps:

A. For assistance groups living in a room and board situation, add the standard for other basic needs to the room and board standard (rule 2263.4). For other assistance groups, add the basic need standard (rule 2263), housing allowance (rule 2264), and special needs housing allowance (rule 2263.2) together.

B. Multiply the result in step 1 by 49.6 percent.

C. Subtract income countable for Reach Up from the result in step 2.

D. Round the result in step 3 down to the nearest whole dollar.

2253 Eligibility Computation (04/01/2008, 08-02)

Financial eligibility is computed for an initial application, or a reapplication, and each time an assistance group's circumstances change.

Eligibility based on income is determined as follows:

A. Determine the amount of the assistance group's gross non-excluded earned and unearned income, including any support predicted or collected by the Office of Child Support except for the $50 disregard. Apply appropriate deductions and disregards to determine net income. (rule 2270)

B. Determine the payment standard for the assistance group (total need requirements multiplied by the rateable reduction, rule 2261).

C. Subtract 1 from 2.

   1. If net income equals or exceeds the payment standard, the assistance group is ineligible due to lack of financial need.

   2. If net income is less than the payment standard, the difference is the budgetary deficit (rule 2255).

For families reapplying for Reach Up solely because of loss of child support see rules at 2210.1.

2254 Prospective Budgeting (12/01/1994, 94-36)

Whenever the following terms are used in Reach Up rule, these definitions shall apply:

"Budget month" means the calendar month from which the household's income is used to compute the amount of assistance.

"Payment month" means the calendar month for which an assistance payment is made. Payment is based on income in the budget month.

"Prospective eligibility" means that eligibility for any given month is determined by estimating as accurately as possible whether all eligibility factors will be met during that month.

"Prospective budgeting" means that the amount of payment for any given month will be based on the best estimate of income and circumstances which will exist in that month. In prospective budgeting the budget month and payment month are the same.

Prospective Eligibility and Budgeting (07/01/2001, 01-06F)

All factors of eligibility and the basic need standard, including shelter costs, shall be determined prospectively for all assistance groups for all payment months.

Payment shall be determined prospectively for all assistance groups, including those sanctioned for failure to comply in full with the Reach Up services component requirements, based on the department's best estimate of the assistance group's circumstances. This estimate is derived from information collected and documented during the initial eligibility determination, periodic reviews, and the processing of reported changes in circumstances.

Income not received on a monthly basis shall be averaged, if fluctuating, and converted to monthly income separately for each income source. Weekly income and expenses shall be converted to monthly using a multiplier of 4.3 weeks per month. Biweekly income and expenses are converted to monthly using a multiplier of 2.15.

Information about circumstances during the most recent calendar month shall be the basis of the estimate of the assistance group's circumstances during the remainder of the review period until and unless a change in circumstances is reported or otherwise identified.

When an individual has been determined eligible and is added to an existing Reach Up assistance group, assistance based on the individuals needs and income will be effective for the date on which the individual joined the assistance group provided that a timely report of the change was made. A report of change is considered timely if it is reported within ten calendar days of the date the change became known to the assistance group. If the change was not reported in a timely manner, assistance based on the individuals needs and income shall be effective for the date on which the change was reported.

2255 Amount of Payment (07/01/2001, 01-06F)

The amount of assistance payment shall be the amount of the budgetary deficit rounded down to the nearest lower whole dollar amount. Except for families receiving parent share payments (rule 2272.2), no payment shall be made to a family in any month in which the amount of assistance is determined to be less than $10.00 for that month, prior to any recoupment applied to the grant. An assistance group not receiving payment solely because the payment would be less than $10 shall be considered eligible for Reach Up for all other purposes (i.e., shall be eligible for Medicaid and services provided through the services component of the Reach Up program). This will also apply in cases where an assistance group's payment of 99 cents or less has been rounded down to zero.

2256 Income Deficits Prohibited (07/01/2001, 01-06)

Assistance funds shall not be granted to meet income deficits. Examples of income deficits are:

- farm or business operating deficit due to operating costs in excess of gross receipts;
- nonrecipient household member's unpaid share of household expenses.

2260 Needs (12/01/1994, 94-36F)

Certain requirements, basic to all individuals, shall be accounted for in budgetary computation. These include:

A. Food

B. Clothing

C. Personal incidentals

D. Shelter

E. Fuel

F. Utilities

G. Chore Service

H. Special Needs - an amount for generic special needs is included within the combined standard. Other special needs are added under circumstances specified in rule 2263.

Each of these basic requirements shall be accounted for in one of the following ways:

A. Using the standard allowance for the required item.

B. Indicating that the required item is available without monetary cost and is to be shown as furnished (e.g., food, shelter, etc. "furnished"). An item which constitutes "in-kind" earnings shall be budgeted at appropriate standards and will not be considered furnished. Refer to other sections for specific budgeting policies when basic items are furnished "in-kind".

C. Indicating that the required item is included in the cost of another item (e.g., board and room).

D. Weekly income and/or expenses are converted to monthly by considering 4.3 weeks equal to one month.

No budgetary allowance is made for purchase, maintenance or related expenses of operating an automobile, except that such expenses may be allowable business expenses for self-employment.

Basic requirements are budgeted as indicated in the following sections.

2261 Need Standards (11/01/1984, 84-54)

Total basic monthly requirement of each assistance group shall be computed using the following:

A. Combined standard table (adjusted for "furnished items", if any) for the applicable assistance program (Reach Up);

B. Housing allowance provisions, including, where applicable, maintenance of housing during temporary absence;

C. Shared household computation method, where applicable.

When non-recipient members of a household fail to contribute to household expenses, their needs shall not be budgeted as a need of the recipient group(s). Department eligibility staff shall encourage and assist, if necessary, applicant(s)/recipient(s) to obtain contributions from such non-recipient household members at least equal to their share of household expense, as computed above.

2261.1 Basic Need Standards (03/01/2004, 03-19)

The following table contains the combined basic need standards used to determine eligibility for Reach Up. The combined basic standards include food, fuel, utilities, clothing, personal needs and incidentals (e.g., soap, toothpaste, cosmetics, etc.), chore (e.g., snow removal, lawn maintenance, household cleaning supplies, etc.), and special needs (e.g., telephone, life insurance premiums, water, sewer, and municipal assessment costs, fire insurance premiums, household appliances, etc.) required by assistance group members regardless of the total number of individuals residing in the household.

Basic Need Standards

Number in Assistance Group	1	2	3	4	5	6	7	8	9 or more
Basic Needs	$475	$680	$891	$1064	$1247	$1372	$1589	$1769	Add $170 for each additional person

2261.2 Members in Long-term Care (07/01/2004, 94-12)

Allowance for an eligible Reach Up group member in long-term care (i.e., in a nursing home, or if under 2l or over 65 in a public institution for mental disease) shall be the Other Basic Need Standard (including clothing, personal and special needs and incidentals) allowed for an individual in rule 2263.4. This amount shall be added to the Combined Basic Need Standard for Eligibility for the other members of the assistance group.

Children in Schools or Institutions (07/01/1994, 94-12)

Allowances for a Reach Up child who is away from home to attend school shall be included in full when the parent or other caretaker is responsible for the child's expenses at the school.

When a school or institution agrees to accept a child and be responsible for the child's needs during residency at the school or institution, a decision must be made as to whether that child should continue as part of the Reach Up assistance group. If responsibility for the care and control of that child remains with the parent, stepparent or caretaker and the parent/child relationship is maintained, then the child is considered to be living in the household and should be included in the Reach Up assistance group.

If the parent, stepparent or caretaker is no longer responsible for the care and control of the child (e.g. child is committed to the Family Services Division) then that child does not meet the requirements for living in the household and he or she cannot be included in the Reach Up assistance group.

2261.4 Special Needs (07/01/2001, 01-06)

A. A special needs allowance may be provided for the purchase of money management counseling for the parent or caretaker in a Reach Up assistance group whose bill-paying practices (or the failure to pay bills) relative to financial obligations for basic needs indicate a need for this counseling.

B. A special needs allowance may be provided for services furnished in a residential setting to homeless Reach Up families or women receiving Reach Up benefits while they are pregnant.

These services may include, but are not limited to budgeting, nutrition, food preparation, child birth education, assistance in obtaining permanent housing, and counseling.

This special needs allowance may include the cost of room and/or board provided to the family or individual by the residential facility.

C. A monthly special needs housing allowance shall be paid to assistance groups otherwise eligible for Reach Up who have actually incurred housing expenses, as determined by rule 2264, in excess of the applicable maximum monthly housing allowance. The assistance groups eligibility for Reach Up shall be determined first without the special needs housing allowance. For assistance groups determined eligible, the amount of the special needs housing allowance shall be calculated as housing expenses in excess of the maximum monthly housing allowance, or $90, whichever is less. The allowance is subject to the ratable reduction.

2262 Living Arrangement (01/01/2009, 08-20)

Budgetary computation of need for any payment month shall include allowances for all maintenance items required in the living arrangement of the individual or family group during the payment month, except that allowances for maintenance of prior living arrangement pending return shall be continued, under specified conditions, during temporary absence required by illness or other emergency.

Standard allowances and budgeting policies are classified according to the following major patterns of living:

A. Household or housing unit;

B. Room and board;

C. Room with separate meals;

D. Institution.

Most Reach Up participants reside as families in a household or housing unit; therefore Reach Up budgeting, with limited exceptions, shall be based on household living, either as a single family unit or through sharing expenses with other household members.

Individuals residing in institutions shall meet all eligibility conditions of the program through which assistance is granted.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 2263 **Date of this Memo** 03/24/1993 **Page** 1 of 1

This Memo: [X] is New [ ] Replaces one dated _____

QUESTION: How are business expenses calculated and shelter expenses budgeted when the client owns a multi family dwelling, lives in one apartment and rents out the others?

ANSWER: The allowable business expenses are prorated by the total number of units. Payment on the principal of a loan is not an allowable business expense, thus the principal portion of the mortgage payment is excluded from the calculation of business expenses. A prorated share of the principal may be counted toward shelter expenses. Note that fire insurance and water/sewer are not included in the shelter expense calculation since they are part of the basic need standard.

For example, a client lives in one of three apartments and has the following monthly expenses for the building:

		Business Expenses	Shelter Expenses
Mortgage Principal Interest	$100	$ 0	$100

Prorated Share 250* $146.66**

* two-thirds share representing the units not occupied by the owner

**one-third share for the client's allowable shelter costs

NOTE: If, in the above example, the client furnished heat and/or utilities to the rental units, two-thirds of those costs would be allowable business expenses.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Procedural Instruction**

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 2263 **Effective date of this memo** 8/11/2014 **Page** 1 of 1

This memo: [ ] is new **[X] Replaces one dated** 6/1/2014

QUESTION: How is the Reach Up housing allowance calculated for Reach Up participants who are also recipients of General Assistance (GA) temporary housing assistance?

ANSWER: The housing allowance for recipients of GA temporary housing assistance is the maximum monthly housing allowance specified in rule 2263 ($450 within Chittenden County, $400 outside of Chittenden County). The housing allowance will always be the maximum monthly housing allowance regardless of whether the participant is required under the GA program to contribute a percentage of their income toward the cost of temporary housing.

Housing Allowance

2263 Housing Allowance (7/1/2015, 15-08)

Housing expense is defined as the total of all verified costs incurred for any of the following: rental (house, apartment, lot), real estate (or equivalent personal property) taxes, maintenance and repairs, mortgage payments, and condo and association fees. (To include allowances for maintenance and repairs within the housing expense the property must be owned and listed in the name of the applicant/recipient.) Housing allowances shall be budgeted "as incurred" to cover recurring shelter expenses necessary to maintain a home, not to exceed the current maximums stated below. The housing allowance portion of a Reach Up financial assistance grant is limited to expenses incurred for the current month; overdue expenses for prior months cannot be included in the grant for the current month. Expenses incurred less frequently than monthly (i.e., real estate taxes) shall be prorated into monthly amounts for the period covered. (See rule 2263, on the special needs housing allowance.)

Maximum Monthly Housing Allowance

Outside Chittenden County	Chittenden County
$400	$450

The expense for shelter when shared may be included based upon the client's cost not to exceed the maximums.

When housing is provided in full (i.e., at no cost) and is considered unearned income-in-kind, no housing allowance and no unearned income are budgeted. When housing is provided in part (i.e., at reduced cost) and is considered unearned income-in-kind, only the assistance group's incurred cash obligation for housing is budgeted as the housing allowance (not to exceed the applicable housing maximum) and no unearned income is budgeted.

In the case of housing received as in-kind earned income, the housing allowance budgeted should be the maximum monthly housing allowance for which the assistance group is eligible or the sum of the assistance group's incurred monthly cash obligation, if any, for allowable housing costs and the amount of in-kind earned income received in the form of housing, whichever is less. The monetary value to be budgeted as in-kind earned income shall be that portion of the housing allowance attributable to earned income-in-kind, ratably reduced (i.e., the housing allowance amount is not ratably reduced; the earned income-in-kind is ratably reduced). This ensures that earnings received in the form of housing do not reduce the amount of assistance provided to meet the assistance group's other basic needs.

A standard amount which, in most cases, represents a portion of the fuel and/or utility subsidy used by Housing and Urban Development (HUD) in the calculation of rent for Reach Up families in subsidized housing will be considered unearned income for Reach Up purposes, according to rule 2271. The standard amount for those families who must pay for fuel or fuel and utilities is $70. The standard amount for those families who must pay for utilities only is $30. An applicant or recipient who documents an actual subsidy amount less than the standard may have the actual amount counted as unearned income in benefit and eligibility calculations.

In no case shall the provision of fuel and/or utilities as part of an assistance group's housing be considered either unearned or earned income-in-kind. Nor in these instances shall these items be shown in the budget as furnished. This policy applies irrespective of whether or not the assistance group incurs a cost for housing.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2263.3** **Date of this Memo** **04/23/1979** **Page 1 of 1**

This Memo: [X] is New [ ] Replaces one dated _____

QUESTION: A recent QC finding brought up the issue of budgeting children's needs in the home of a nonrecipient caretaker relative, especially those of SSI recipients. Can you provide us with some guidelines in this area?

ANSWER: Rule 2263.3 explains how this situation should be handled and QC criteria agree with this rule.

The problem arises in 3,c in determining the share of shelter incurred by each group. Basically, it is the caretaker relative who must decide what the arrangement is to be. Each group's share must not exceed the housing allowance maximum and the sum of all shares, including the non-recipient's, must not exceed the total cost of the shelter.

The eligibility worker must then find out what this arrangement is, and so that there is no disagreement later, have a Shelter Verification Form (form 202 H) filled out by the caretaker relative and the recipient. Then if the caretaker relative gives QC a different arrangement the worker has verification of what was originally agreed to.

The exception to the above is if the SSI/AABD recipient is the parent, then shelter must be included in full up to our maximum in the Reach Up grant even if the SSI/AABD recipient pays a portion of the shelter.

Nonpayment of all or a portion of shelter expense will be evaluated against the criteria for need of protective payments and subject to the limitations outlined in rule 2226.

Subsidized Housing (7/1/2015, 15-08)

Recipients who live in or are moving into subsidized housing shall have their shelter expenses budgeted in the Reach Up grant as stipulated below.

The most common types of subsidized housing are:

- Section 8
- Section 23
- F. H. A (Farmer's Home Administration) rental assistance units.
- Section 236
- Housing owned and operated by the local public housing authority.

Budgeting Subsidized Housing (7/1/2015, 15-08)

The Reach Up budget is computed as one would normally for a Reach Up family, except that the amount used for shelter will always be the maximum housing allowance permitted for a rental located in the county in which the family resides.

A. If housing construction is financed under F. H. A. but the recipient is not in a Rental Assistance unit, budget according to normal Reach Up procedures. Only 515 Rental Assistance units are budgeted as subsidized housing.

B. Section 236 housing should be budgeted according to normal Reach Up procedures unless a client lives in a Section 8 unit. Then budget as subsidized housing.

C. It is possible for a recipient to be in unsubsidized or private housing and have a Section 8 certificate, in which case budget as in subsidized housing.

For examples see Procedures P-2210 E.

2263.3 Shared Households (7/1/2015, 15-08)

Total monthly requirements of each assistance group which shares a household or housing unit with one or more separate assistance groups and/or non-recipient members shall be computed in accordance with the following rules.

Please note that the limits described below do not apply to assistance groups eligible for the room and board standard because the housing cost portion (i.e. room rent) of this standard cannot be identified separately.

A. When the household is composed of two or more assistance groups, with no non-recipient members:

1. Budget each group for full basic considering eligible members of the assistance group;

Housing Allowance

2. Include housing cost as incurred by each recipient group, each group's share not to exceed the housing allowance maximum and the sum of the shares not to exceed the total cost of housing (example: two assistance groups share a rental with total rent paid to the landlord of $250.00. Each recipient group may share in this cost, but no share may exceed housing allowance maximum and the sum of the two shares may not exceed $250.00).

   Exception: If an assistance group member(s) is the only person(s) on the lease or mortgage, but a different Reach Up group living in the household regularly pays a share of the rent or mortgage payment, the housing allowance for each assistance group shall not exceed the amount for which it is in practice responsible.

3. Any monetary contribution from another assistance group in the household to the assistance group responsible for the household expenses shall be treated as:

   a. Earned income: payment(s) for a service received, i.e., room and board (rule 2263.4);

   b. Unearned income: general contributions unrelated to payment for shared expenses. (For occasional gifts and irregular contributions see rule 2271.3.);

   c. Excluded income:

      i. a payment(s) to the Reach Up group responsible for household expenses by another assistance group member(s) for his or her share of common household expenses;

      ii. a payment made directly to a non-resident landlord or mortgage holder (and <u>not</u> to any assistance group in the household).

         NOTE: If one Reach Up group is renting part of their housing unit to another Reach Up group and the first group is paying rent to a landlord for the entire unit, or is paying a mortgage as the home owner, the total shelter allowed for both budgets cannot exceed the total shelter paid for the housing unit, or the actual home owner costs (i.e., mortgage and taxes), regardless of the fact that the second Reach Up group considers the first Reach Up group as their landlord. Also, as in the above situations, each group's shelter cannot exceed the maximum allowed.

   d. When an assistance group member is the head of a household including one or more non-recipient members:

      i. Budget assistance group(s) for full basic considering eligible members of the assistance group;

      ii. Include housing cost as incurred by each recipient group, each group's share not to exceed the housing allowance maximum and the sum of all shares, including any non-recipient's share, not to exceed the total cost of housing;

         Exception: If an assistance group member(s) is the only person(s) on the lease or mortgage, but a different Reach Up group living in the household regularly pays a share of the rent or mortgage payment, the housing allowance for each assistance group shall not exceed the amount for which it is in practice responsible.

iii. Any monetary contribution from a non-recipient household member(s) or from another assistance group in the household to the assistance group responsible for the household expenses shall be treated as:

(A) Earned income: payments for a service received, i.e., room and board (rule 2263.4);

(B) Unearned income: general contributions unrelated to payment for shared expenses. (For occasional gifts and irregular contributions see rule 2271.3.);

(C) Excluded income:

(1) a payment to the Reach Up group responsible for household expenses by a non-group member for his or her share of common household expenses;

(2) a payment made directly to a non-resident landlord or mortgage holder (and not to any assistance group in the household).

e. When one or more assistance groups share a household headed by a non-recipient:

i. Budget assistance group(s) for full basic considering eligible members of the assistance group;

ii. Include housing cost as incurred by each recipient group, each group's share not to exceed the housing allowance maximum, and the sum of all shares, including any non-recipient's share, not to exceed the total cost of housing.

Exception: If an assistance group member(s) is the only person(s) on the lease or mortgage, but a different Reach Up group living in the household regularly pays a share of the rent or mortgage payment, the housing allowance for each assistance group shall not exceed the amount for which it is in practice responsible.

iii. Any monetary contribution from one or more assistance groups or non-recipient household member(s) to another assistance group in the household, treat as:

(A) Earned income: payments for a service received, i.e., room and board (rule 2263.4);

(B) Unearned income: general contributions unrelated to payment for shared expenses. (For occasional gifts and irregular contributions see rule 2271.3.);

(C) Excluded income:

(1) a payment to the Reach Up group responsible for household expenses by a non-group member for his or her share of common household expenses;

(2) a payment made directly to a non-resident landlord or mortgage holder (and not to any assistance group in the household).

Housing Allowance

Room and Board Standards (7/1/2015, 15-08)

Room and board as a living arrangement for Reach Up participants shall be budgeted in the amounts established by the table below. Additional amounts are allowed for other basic needs, which include clothing, personal needs and incidentals, chore, and special needs.

Room and Board Allowances

Number in Assistance Group	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9 or more**
Room and Board	$379	$547	$725	$853	$1008	$1098	$1265	$1403	Add $138 for each additional person
Other Basic Need	$96	$133	$166	$211	$239	$274	$324	$366	Add $32 for each additional person

The total budgeted requirement (room and board standard plus other basic needs standard) is subject to the ratable reduction.

Payments for Reach Up children who qualify for Reach Up foster care shall be provided by the Family Services Division through Title IV-E of the Social Security Act, as amended.

2263.5 Institution (7/1/2015, 15-08)

Individuals residing in institutions have the majority of their basic needs (other than clothing and other individual needs) met through one of the following methods:

A. Boarding allowance budgeted (see Board and Room).

B. Vendor payment by the department, under Medicaid, to a licensed nursing home or to a mental hospital on behalf of a recipient of Reach Up who qualifies for such payment.

C. Vendor payment by the department, under Reach Up-UF, to a licensed child-care institution on behalf of a child who qualifies for Reach Up-FC.

The vendor payment for care in a nursing home or mental hospital is a form of medical assistance; the cost of such care shall not, therefore, be considered in establishing need for assistance. Allowances for basic personal needs in the institution, when appropriate, shall be budgeted to establish need for Reach Up assistance.

Need of a child, who qualifies for Reach Up foster care and who is placed in a child-care institution shall be budgeted in accord with payment policies currently in effect for care of children in department custody.

2263.6 Foster Home (7/1/2015, 15-08)

Eligible children placed in foster homes at State expense have their basic requirements met through vendor payment covering allowances for board, clothing, incidentals, personal spending and special needs made to one of the following:

A. A licensed foster home (family home, family group home, professional group home); or

B. A relative, other than a parent, whose home fully meets applicable licensing standards, but does not require a formal license because placement is limited to "related" child(ren).

Payments are made by the Family Services Division (FSD) under Title IV-E. FSD notifies ESD since Title IV-E recipients are automatically eligible for Medicaid. (See Interpretive Memo opposite rule 4300 and P-2412 for procedures).

Since by State statute, parents are legally responsible for support of their minor children, no vendor payment shall be allowed on behalf of a committed child placed in the home of his/her parent(s). A financially needy parent may apply for and, if eligible, receive Reach Up assistance on behalf of such child(ren).

General Assistance and Emergency Assistance Temporary Housing (7/1/2015, 15-08)

The housing allowance for recipients of General Assistance or Emergency Assistance (GA/EA) temporary housing assistance is the maximum housing allowance permitted for a rental located in the county in which the family resides, in addition to the special needs housing allowance (if applicable). The housing allowance will always be the maximum housing allowance, in addition to the special needs housing allowance (if applicable), regardless of whether the participant is required under the GA/EA program to contribute a percentage of their income toward the cost of temporary housing (see General Assistance rules § 2652.2 and 2652.3; Emergency Assistance rules § 2852.2).

2264 Temporary Absence - Illness (07/01/1994, 94-12)

When a caretaker has been or will be absent from the home for 30 days or more, due to illness requiring hospitalization or care outside the home, but remains able to provide continuing supervision of the child(ren), needs shall be budgeted as follows:

A. Allowances, according to applicable standards, for continuing needs of eligible child(ren) cared for in their own home or in a temporary placement by a responsible person under the caretaker's direction.

B. Allowances, according to applicable standards, for continuing needs of the caretaker.

C. Allowances, according to applicable standards, for maintenance of the family residence (e.g., housing, fuel, utilities, etc.) for a period not to exceed six months for the expected return of the caretaker and child(ren).

2265 Temporarily Uninhabitable Home (07/01/1994, 94-12)

When the home owned by an applicant or recipient is temporarily not habitable, the shelter expenses for the home may continue to be budgeted for up to six months. A home may be temporarily not habitable because of a fire, the heating system is inoperable, the water pipes are frozen, it is in a remote area where roads are not routinely snow plowed, etc.

The shelter expenses of the temporary living arrangement may also be budgeted, however, the total of the home expenses and the temporary shelter expenses may not exceed the shelter maximum.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 2270 **Date of this Memo** 11/12/1982 **Page** 1 of 1

This Memo: [ ] is New [X] Replaces one dated 09/19/1980

QUESTION: Not counting terminated income in the month of application, which is received prior to date of application, doesn't seem to make much sense for a person whose job terminates in the month of application, but who receives a full month's wages toward the end of the month. Could the Interpretive Memo facing rule 2270 be reviewed.

ANSWER: Our policy has been to disregard income prior to date of application. The point brought out in your question is a valid one. We propose the following method for computing first month's eligibility:

- Budget grant based on income for entire month; i.e. before and after date of application
- Rateably reduce to get payment standard and subtract net income
- When payment standard has been determined, use proper percentage depending on the day of month the application is filed.

Example:

Payment Standard	$ 200.00
net income	- 100.00
	$ 100.00
Effective date — 25th of month	
as per rule 2216.2 = 20%	$100.00
	x .20
Amount of first payment	$ 20.00

2270 Income (12/01/2006, 06-24)

Income is defined as any cash payment or equivalent "in kind" which is actually available to the applicant or recipient. Sources of income include, but are not limited to, earnings from employment or self-employment, and "unearned" income (pensions, benefits, interest, or return on investments, contributions, assistance from other agencies, etc.).

All income except that specifically excluded shall be evaluated to establish net income available to meet need. When spouses are maintaining a common living arrangement, their joint incomes shall be evaluated and considered for availability to meet their joint needs, even though only one applies for or receives assistance under any Department program. Verification of all income except that specifically excluded shall be required in the Reach Up Program.

Transfer of assignment of income for the purpose of qualifying for a larger amount of assistance than that of which the individual would otherwise be entitled is prohibited. Voluntary transfer of income within two years before date of application or while in receipt of Reach Up shall result in ineligibility unless the income is reconveyed to the applicant or recipient.

Future and potential sources of income shall be identified and developed, when feasible. (See Potential Income and Resources.) State assistance in the amount needed based on currently available income shall, however, continue until such income becomes in fact available, at which time appropriate budgetary adjustment shall be completed.

2270.1 Lump Sum Income (12/01/2006, 06-24)

The applicant or recipient of Reach Up is responsible for notifying the Department promptly upon receipt of any lump sum payment of earned or unearned income.

Lump sum payments, including windfall payments, shall be counted as income unless excluded under an exception cited below. Windfall payments shall not include sums resulting from the conversion of an existing asset (i.e. acquired when the individual was not in receipt of Reach Up benefits) to a liquid asset. However, money resulting from the sale of a vehicle acquired when the individual was in receipt of Reach Up benefits shall be treated as a resource and not as a windfall payment. Lump sum payments, including windfall payments, which have been set aside in a trust fund and which are excluded in accordance with Reach Up policy relating to "Trust Funds" shall not be counted as income.

Additional exceptions to the above regulation are:

A. An income tax refund shall be treated as a resource, except for any portion which is a federal or Vermont Earned Income Tax Credit (EITC) refund. EITC payments are disregarded both as income and as a resource (rules 2276 and 2284).

B. Insurance payments or similar third party payments, if received for payment of medical bills or funeral costs and used for those purposes, must be excluded. Also excluded would be a home owner's insurance payment (e.g. for a house which burned down) if it is used to rebuild or repair the house or purchase a new one.

Income

Lump sum payments which are not excluded should be added together with all other non-Reach Up income received by the assistance group during the month. When the total less applicable disregards exceeds the standard of need for that family, the family will be ineligible for Reach Up for the number of full months derived by dividing this total income by the need standard applicable to the family. Any remaining income will be applied to the first month of eligibility after the disqualification period.

The period of ineligibility due to a lump sum benefit may be recalculated if:

A. An event occurs which, had the family been receiving assistance, would have changed the amount paid.

B. The income received has become unavailable to the family for circumstances beyond its control. Such circumstances are limited to the following unless the Commissioner or his or her designee determines that the recipient's circumstances are substantially similar to those described below:

1. death or incapacity of the principal wage earner.

2. loss of shelter due to fire or flood.

3. repairs to owner-occupied homes which are essential to the health and safety of the family.

4. repair or replacement of essential, major household appliances.

5. repair or purchase of one motor vehicle per Reach Up assistance group, essential for employment, education, training or other day-to-day living necessities. Expenses may include purchase and use tax, inspection fee, insurance, and registration fees, but not day-to-day operating expenses.

6. payments attributable to current monthly housing expenses (rule 2264) which are in excess of the maximum monthly Reach Up housing allowance. Advance payments (i.e. payments for expenses which will be incurred after the period of ineligibility has ended) toward excess monthly housing expenses are not allowed.

7. payment of expenses which meet the following criteria:

a. The bills were overdue as of the date the lump sum income was received.

b. The bills were the legal liability of the client or other member of the assistance group.

c. The client provides documentation that the lump sum income was used to pay the bills.

Eligible expenses under "7" above are as follows and are restricted to those of the primary residence and would include any late charges described in payment agreements or allowed by Public Service Board rules.

a. overdue rent (including lot rent)

b. overdue mortgage payments (principal and interest)

c. overdue property taxes

d. overdue homeowner's insurance

e. overdue heating bills

f. overdue utility bills (e.g. electricity, gas, water, or sewage)

g. overdue telephone bills (basic monthly charge, applicable taxes, plus $5 per month in toll charges)

h. overdue child care expenses necessary for a member of the assistance group to maintain employment, with the following limitation. If the overdue expenses were incurred when the individual was receiving Reach Up, only the unsubsidized amounts attributable to employment-related child care are considered eligible expenses.

i. overdue expenses for one motor vehicle per Reach Up assistance group, essential for employment, education, training or other day-to-day living necessities. Expenses may include overdue bills for repairs, purchase and use tax, inspection fee, insurance, and registration fees, but not day-to-day operating expenses.

C. The family incurs and pays for medical expenses which offset the lump sum income.

2270.2 Income-in-Kind (07/01/1989, 89-24)

Income-in-kind is defined as any basic requirement, such as food, shelter, etc., which is furnished regularly at no cost to the applicant or recipient.

In computing the requirements, if any item is furnished in full and is considered unearned income-in-kind, it is shown in the budget as "furnished" and no unearned income-in-kind is budgeted. In computing the requirements, if any item is furnished only partially and is considered unearned income-in-kind, it is not to be shown in the budget as "furnished" and no unearned income-in-kind is to be budgeted.

In computing the requirements, if any basic need item is furnished in part or in full and considered as earned income-in-kind, the item should not be shown in the budget as "furnished," but it shall be given a monetary value by the employer, and treated as earned income in the budget computation. However, in no case shall the monetary value assigned to a need item received as in-kind earned income exceed the ratably reduced amount specified for that item in the ITEMIZED NEED STANDARD TABLE for an assistance group of equal size.

In the case of housing received as in-kind earned income, the housing allowance budgeted should be the maximum monthly housing allowance for which the assistance group is eligible or the sum of the assistance group's incurred monthly cash obligation, if any, for allowable housing costs and the amount of in-kind earned income received in the form of housing, whichever is less. The monetary value to be budgeted as in-kind earned income shall be that portion of the housing allowance attributable to earned income-in-kind, ratably reduced (i.e. the housing allowance amount is not ratably reduced; the earned income-in-kind is ratably reduced). This ensures that earnings received in the form of housing do not reduce the amount of assistance provided to meet the assistance group's other basic needs.

Income

In no case shall the provision of fuel and/or utilities as part of an assistance group's housing be considered either unearned or earned income-in-kind. Nor in these instances shall these items be shown in the budget as "furnished." This policy applies irrespective of whether or not the assistance group incurs a cost for housing.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Procedural Instruction**

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 2240; 2271; 2276(B) **Effective date of this memo** 8/1/2015 **Page** 1 of 1

This memo: [X] is new [ ] Replaces one dated _____

Act 58 of 2015 amended 33 V.S.A. § 1103(c) to require the Department to count up to $125.00 of the Supplemental Security Income (SSI) payment received by a parent when determining the amount of the family's Reach Up financial assistance. If both parents receive SSI, a maximum of $125.00 of the parents' combined SSI payments will be counted. A child's SSI payment will **not** be counted, even if a parent receives the payment on behalf of the child. This requirement applies only to parents and does not apply to caretakers.

The Department will count up to $125 of the SSI payment received by a parent as unearned income for the Reach Up assistance group. Parents who receive SSI will continue to be excluded from the Reach Up assistance group for all other purposes.

2271 Unearned Income (04/01/2008, 08/02)

Unearned income includes the following:

A. Income from pension and benefit programs, such as social security, railroad retirement, veteran's pension or compensation, unemployment compensation, employer or individual private pension plans and annuities.

B. Income from capital investments in which the individual is not actively engaged in managerial effort.

C. Time payments on mortgages or notes resulting from a casual sale (i.e., a sale not related to self-employment) of real or personal property.

D. Voluntary contributions from others.

E. Child support in excess of $50 per month paid directly by OCS to families. The amount of direct child support prior to recoupment of an overpayment due to client error will be deducted from the family's Reach Up entitlement for the second month following the calendar month in which the child support was paid to OCS. (rule 2272)

F. $70.00 of a Housing and Urban Development (HUD) fuel or fuel-and-utility subsidy or $30.00 of a utility-only subsidy that has been included in HUD's calculation of the rent of a Reach Up family living in subsidized housing, thereby reducing its rental obligation by an equivalent amount. This amount is not limited to a subsidy actually paid to the Reach Up family. An applicant or participant who documents an actual subsidy amount less than the standard may have the actual amount counted as unearned income in benefit and eligibility calculations.

G. Reach First payments attributed to the months for which the family applies for Reach Up assistance.

The full amount of available unearned income shall be applied to the payment standard, except for disregards specified under certain federal programs. (rule 2276)

Any nonexcluded income from student loans or grants shall also be converted to a monthly amount by averaging the total amount of the grant or loan over the period it is intended to cover.

Social Security - Railroad Retirement (07/01/1994, 94-12)

The full amount of Social Security or Railroad Retirement benefits awarded to members of the assistance group shall be considered, except that the Medicare Part B premium of a new recipient, which continues to be withheld from his benefit check pending completion of his transfer to the Department's "Buy-In" agreement, shall be disregarded until the benefit check increase is actually available to the recipient.

2271.2 Veterans Benefits (07/01/1994, 94-12)

The Veterans Administration allows any guardian appointed by that agency to retain 5 percent of the monthly award handled as reimbursement for guardian services. Income available to the applicant or recipient is the amount of the award reduced by the amount retained by the guardian.

2271.3 Contributions (07/01/1989, 89-24F)

Regular and predictable contributions (cash or in-kind) shall be considered unearned income. Occasional small gifts and/or irregular contributions shall be disregarded in budgetary computations, provided the amounts do not exceed $30 per recipient per calendar quarter. (For calendar quarters see rule 2272.2; for monetary contributions in shared households see rule 2263).

2272 Distribution of Child Support (07/01/2001, 01-06F)

OCS distributes current child support collected on behalf of Reach Up assistance groups to ESD. ESD distributes family bonus and parent share payments to these Reach Up assistance groups for receipt on or about the first day of the second month following the month in which the child support was received by OCS.

2272.1 Family Bonus Payment (07/01/2001, 01-06F)

The family bonus payment is the first $50 from child support collected by OCS in any calendar month and distributed to ESD on behalf of a Reach Up participant. ESD pays the family bonus to the custodial parent without affecting Reach Up eligibility or decreasing the amount of the grant. The maximum family bonus payment paid to an assistance group in a single calendar month without affecting its Reach Up eligibility is $50, even when more than one noncustodial parent pays child support on behalf of that assistance group for that calendar month. In no case shall the family bonus amount exceed the amount of child support paid on behalf of the members of the assistance group.

2272.2 Parent Share Payment (07/01/2001, 01-06F)

The parent share payment is the amount in excess of $50 from child support collected by OCS in any calendar month and distributed to ESD on behalf of a Reach Up participant. The parent share payment shall be:

- deducted from the Reach Up grant prior to any recoupment for the second month following the month in which OCS received the child support and distributed it to ESD; and
- paid to the assistance group according to the Reach Up financial assistance payment schedule (rule 2222).

Arrearage Collected (07/01/2001, 01-06F)

Arrearage is past due child support owed by a noncustodial parent. Arrearage collected by OCS from the noncustodial parent shall be distributed according to federal rules governing the distribution of child support. In general, arrearage collected on behalf of a Reach Up assistance group is applied to unpaid support obligations accumulated while the family was on assistance. When the arrearage collected from the noncustodial parent represents an accumulation of the support obligation during a period of Reach Up financial assistance (prior to July 1, 2001, Aid to Needy Families with Children [ANFC]), the department may retain an amount up to the financial assistance payment for that period.

Advance Support Payments (07/01/2001, 01-06F)

Child support will be treated as advance payments only if current and past support obligations are paid in full.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 2274 **Date of this Memo** 05/28/1979 **Page** 1 of 1

This Memo: [X] is New [ ] Replaces one dated _____

QUESTION: How do we define "active management" in paragraph 1? Who do now have a definition in Food Stamps regulation (273.9g.1, ii.) In Reach Up we have always assumed all rental income was earned for Reach Up purposes.

ANSWER: We do not want to limit active management in Reach Up to the extent the Food Stamp regulations do. For Reach Up purposes active management would be true in most cases, such as where an individual is responsible for collecting the rent, the day to day decisions regarding repairs, utilities, etc. The only time rental income might be considered unearned income would be if the Reach Up recipient were an absentee landlord and the agent acting on his behalf handled the day to day decisions concerning the rental and forwarded the rental payments.

2274 Earned Income (04/01/2008, 08-02)

Earned income shall include all wages, salary (cash or in-kind), commissions or profit from activities in which the individual is engaged as an employee or a self-employed person, including but not limited to active management of capital investments (e.g., rental property).

Earned income is defined as income prior to any deductions for taxes, if applicable, FICA, insurance, or any other deductions, voluntary or involuntary, except that in determining earned income for self-employed individuals, allowable business expenses shall be deducted first (rule 2274.3).

Self-employment income will be determined by the client's most recent tax return unless the tax return is not indicative of the current situation, a tax return has not been filed, or the client has earned income not subject to taxation. In these circumstances, the department will use the client's records and other available sources to determine self-employment income. For determining monthly self-employment income, see rule 2211.3 and P-2210 C.

Earnings over a period of time, for which settlement is made at one given time are also included) (e.g., sale of farm crops, livestock, poultry).

Payments to individuals under the following programs shall be treated, as described below:

A. Vermont Earned Income Tax Credits

The Vermont Earned Income Tax Credit is paid only as a lump sum following the end of the tax year. See rules 2276, Excluded Income and 2284, Excluded Resources.

B. Economic Opportunity Act

Payment to individuals under any of the following programs, whether as partial and temporary beneficiaries or as employees, shall be considered earned income:

Work-Training Program (Title I, Part B)

Community Action Programs (Title II)

Voluntary Assistance Programs for Needy Children (Title II)

C. Elementary and Secondary Educations Act

Income from employment as a teacher's aide, lunch room worker, clerical aide, etc. under a Title I project funded by the Elementary and Secondary Education Act shall be considered earned income.

D. Workforce Investment Act of 1998(WIA)

Workforce Investment Act (WIA) programs prepare youth and adults to participate in the labor force by providing job training and other services expected to increase employment, earnings, and educational and occupational skills.

Some WIA programs pay participants wages, treated as unsubsidized earned income for adults.

2274.1 Computation Method (02/01/2009, 08-10)

Computation of net earned income takes into consideration applicable business expenses (self-employment only), the standard employment expense deduction, any applicable earned income disregard, and any allowable dependent care deduction.

Gross earned income must be verified as specified at rule 2211.3.

To determine eligibility and benefits, all income figures are converted to monthly figures, using a multiplier of 4.3 weeks equal to one month. A multiplier of 2.15 weeks per month is used for income received biweekly.

Earned Income Computation Sequences (04/01/2008, 08-02)

Items are deducted from the gross earned income of each member of the assistance group, whose total earned income is not otherwise excluded, in the sequences listed below. Whenever the sum of these deductions exceeds the gross earned income of the individual, the maximum allowable deduction is the amount of the gross earned income. Child care provided under Support Services to Participating Families does not constitute dependent care expenses and is not an allowable deduction.

A. Unsubsidized Earned Income Deduction Sequence

1. business expenses (deducted from total self-employment business receipts to establish adjusted gross earned income)

2. earned income disregard (rule 2275.3)

3. dependent care expenses allowed as a deduction from earned income

B. Subsidized Earned Income Deduction Sequence

1. employment expense (2275.1)

2. dependent care expenses allowed as a deduction from earned income

C. Subsidized Plus Unsubsidized Earned income Deduction Sequence

If an individual has earnings from both subsidized and unsubsidized employment, the computation follows the sequence in A above. Only the earned income disregard is allowed. If less than $90 is deducted from unsubsidized earnings, however, the remainder of the $90 ($90 minus the amount deducted from unsubsidized earnings) will be deducted from any subsidized earnings.

2274.3 Business Expense (04/01/2008, 08-02)

Business expenses, which are deducted from gross receipts to determine adjusted gross earned income, are limited to operating costs necessary to produce cash receipts, such as:

A. office or shop rental;

B. taxes on farm or business property;

C. hired help;

D. interest on business loans;

E. cost of materials, stock, inventory, or livestock for resale required for the production of this income.

Items such as depreciation, personal business and entertainment expense, personal transportation, purchase of capital equipment and payment on the principal of loans for capital assets or durable goods, are not business expenses.

Tax returns and business records are considered appropriate sources of accurate figures for farm and business receipts and expenses.

The income of a household owning or operating a commercial boarding house shall be treated as any other business income. A commercial boarding house is defined as an establishment licensed as a commercial enterprise offering meals and lodging for compensation. In areas without licensing requirements, a commercial boarding house shall be defined as a commercial establishment offering meals and lodging with the intention of making a profit.

Exception: No computation is required for providing foster care to children in custody of and placed by the Family Services Division. The rate of payment is established to cover expenses only, with no allowance for profit; therefore, no earned income is considered available from this source.

The room-and-board portion of income received by developmental home providers furnishing qualified foster care to individuals placed by the State of Vermont or by a developmental or mental health services agency under contract with the state is established to cover expenses only, with no allowance for profit. Therefore, no earned income is available from this portion of the income. Compensation received in addition to that intended to cover room and board, considered difficulty-of-care payments, is earned self-employment income. Payment for respite care services from this source of income is an allowable business expense.

For a household that is not a commercial boarding house, the business expense of furnishing room and board, alone or as part of custodial care, shall be allowed, provided that the amount shall not exceed the payment the household receives from the roomer/boarder for lodging/meals. (See procedures for Business Expenses - Providing Room and Board.) If the assistance group can document that actual expenses for providing room and board are greater than the standard business expenses allowed, the actual expenses may be allowed as a business expense.

2274.4 Providing Child Care (04/01/2008, 08-02)

A standard business expense deduction is provided for the expenses associated with providing meals to children receiving child care in the assistance group's home. To receive this deduction the assistance group must report the number of children receiving meals; the number of days on which meals were provided; and the type of meals provided. The standard business expense deduction for child care meals shall be used unless the assistance group requests a higher business expense deduction for child care meals and fully documents expenses which substantiate costs which exceed the standard deduction.

Assistance groups which include providers of child care are also entitled to a business expense deduction for non meal related expenses incurred in the course of providing child care as a form of self employment. All non meal related expenses must be determined on a case by case basis and must be fully documented by the assistance group. These non meal related expenses may include, but are not limited to, a portion of rent, interest on mortgage, non cooking related utility expenses, cost of toys, and purchase of non meal related supplies.

Assistance groups may receive the standard business expense deduction for meals and an individually determined deduction for non meal related business expenses; individually determined business expense deductions for both meal related expenses and non meal related expenses; only a deduction for meals (no other expenses are claimed and documented); or only a deduction for non meal related expenses (no meal related expenses are claimed). See the Procedures Manual under procedures for Business Expenses — Providing Day Care.

2275 Earned Income Deductions (7/1/2015, 15-08)

The department shall allow certain deductions from an individual's earned income to cover employment expenses (rules 2275.1 – 2275.2) or provide an incentive disregard for employed participants (rule 2275.3). For income not reported timely without good cause, however, no disregards are allowed (rule 2275.4).

Total deductions and disregards shall not exceed the amount of earned income to which they are applied.

Employment Expenses (7/1/2015, 15-08)

The standard employment expense deduction of $90 is used in lieu of the amount of actual expenses for taxes, insurance, retirement, union dues, fees, and other reasonable employment expenses. Only one deduction is allowed per individual with earned income.

The deduction shall be applied to:

- subsidized earned income in determining continuing eligibility;
- earned income of an individual ineligible for the earned income disregard, as specified in rule 2275.4; and
- earned income of an individual whose needs are not included but whose income and resources are counted.

The department shall not apply both the standard employment expense deduction and the earned income disregard to the earned income of any individual at the same time.

Dependent Care Expenses (7/1/2015, 15-08)

A deduction from the earned income of an assistance group member is allowed to cover the cost of care for an assistance group member who is an incapacitated adult, when all the following conditions are met:

A. The care is necessary to enable the caretaker to accept or retain employment or self-employment, and the hours of care are reasonably related to the caretaker's hours of employment or self-employment.

B. A member of the same assistance group or the incapacitated adults spouse does not provide the care.

C. The incapacitated adults spouse is unavailable or unable to provide the necessary care.

D. The provider of care is at least 16 years old.

E. The assistance group member claiming the deduction has provided a statement signed by the provider of care about the hours and cost of care.

Paid expenses converted to a monthly amount shall be deducted up to a maximum of $175 per month. If a participant's dependent care expenses are below the maximum, transportation to and from the dependent care facility may be deducted as part of the expense.

The cost of employment-related child care needed by assistance groups is provided either:

- as a support service reimbursement subject to the conditions and limitations described in rule 2271; or
- as an exclusion from gross earned income, if the child is not a member of the assistance group, as described in rule 2276.

Earned Income Disregard (7/1/2015, 15-08)

The department shall disregard the first $250.00 per month of the total unsubsidized earned income of each eligible assistance group member plus 25 percent of the balance remaining. The disregard includes a standard allowance used in lieu of the amount of actual expenses for taxes, insurance, retirement, union dues, fees, and other reasonable employment expenses.

Disallowance of Disregard (7/1/2015, 15-08)

No disregard is allowed for any new or increased earned income the participant fails without good cause to report by the end of the calendar month following the month in which the new or increased income was first received. Circumstances considered good cause for failure to report timely are limited to the following:

A. natural disasters, such as fires or floods;

B. illness of such severity that the participant is unable to direct personal affairs;

C. refusal of an employer to provide earned income verification or the unavailability of an employer to provide verification before the deadline;

D. lost or stolen mail confirmed by the Postal Service;

E. total monthly gross earnings, less any allowable business expenses (self-employment only), at or below the level of applicable earned income deductions and disregards.

This provision has no effect on an assistance group's responsibility to report all changes in circumstances within 10 days of their being known to the group or on the groups liability in the case of an overpayment.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2276** **Date of this Memo** **05/01/2009** **Page** **1 of 1**
This Memo: [X] is New [ ] Replaces one dated _____

UPDATE:

For purposes of Reach Up rules, the terms "SSI/AABD recipient" and "individual receiving benefits under the SSI/AABD program" include disabled individuals who received SSI/AABD, became gainfully employed, and were subsequently granted 1619 (b) status by the Social Security Administration.

They shall continue to be considered SSI/AABD recipients during any months in which their 1619 (b) status remains in effect, whether or not they receive an SSI/AABD payment during those months.

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Procedural Instruction**

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 2240; 2271; 2276(B) **Effective date of this memo** 8/1/2015 **Page** 1 of 1

This memo: [X] is new [ ] Replaces one dated _____

Act 58 of 2015 amended 33 V.S.A. § 1103(c) to require the Department to count up to $125.00 of the Supplemental Security Income (SSI) payment received by a parent when determining the amount of the family's Reach Up financial assistance. If both parents receive SSI, a maximum of $125.00 of the parents' combined SSI payments will be counted. A child's SSI payment will **not** be counted, even if a parent receives the payment on behalf of the child. This requirement applies only to parents and does not apply to caretakers.

The Department will count up to $125 of the SSI payment received by a parent as unearned income for the Reach Up assistance group. Parents who receive SSI will continue to be excluded from the Reach Up assistance group for all other purposes.

2276 Excluded Income (02/04/2012, 11-04)

A. Home produce used by the household for its own consumption.

B. Any income received by a recipient of SSI/AABD living in the Reach Up household (rule 2240).

C. All income to an undergraduate student (may include parent as well as child in Reach Up Grant) from student grants, loans, or work/study if:

1. such loans or grants are made under a program administered or insured by the U. S. Commissioner of Education; or

2. the sponsor of the grant or loan precludes its use for maintenance purposes; or

3. the work/study program is administered by a college or university recognized by educational authorities in which the undergraduate student is enrolled half time or more than half time, as defined in relation to the definition of full time used by the school.

Examples of excludable income sources: Basic Educational Opportunity Grants, Vermont Student Assistance Corporation grants or loans, Senatorial Scholarships, Supplemental Educational Opportunity Grants (SEOG), and College Work-Study Programs (CWSP).

That portion of any Veterans Administration Educational Assistance Program payment that is for the student and is actually used for tuition, books, fees, child care services necessary for enrollment, etc., is also excluded.

D. Student financial assistance provided under Title IV of the Higher Education Act or Bureau of Indian Affairs Student Assistance programs.

Examples of programs in Title IV of the Higher Education Act include:

1. Pell Grants;

2. Supplemental Educational Opportunity Grants (SEOG);

3. State Student Incentive Grants (SSIG);

4. College Work Study (CWSP);

5. Perkins Loans (formerly National Direct Student Loans). These are different from loans under the Carl D. Perkins Vocational and Applied Technology Education Act, which are not totally disregarded see 5 below;

6. Guaranteed Student Loans (GSLP), including PLUS loans and Supplemental Loans for Students.

E. Student financial assistance provided under the Carl D. Perkins Vocational and Applied Technology Education Act is disregarded as income or resources when the assistance is made available to meet attendance costs. Attendance costs include:

1. tuition and fees normally assessed a student carrying the same academic workload as the applicant/recipient, as determined by the institution, including costs for rental or purchase of any equipment, materials, or supplies required of all students in the same course of study as the applicant/recipient; and

2. an allowance for books, supplies, transportation, dependent care and miscellaneous personal expenses for a student attending the institution on at least a half-time basis, as determined by the institution.

Excluded Income

F. Reimbursements for expenses (child or dependent care, transportation, purchase or maintenance of clothing, meals, etc.) attributable to participation in unpaid voluntary activities, including the value of meals provided during the course of these activities, shall not be considered either earned or unearned income for the purpose of determining eligibility for or the amount of benefits to be received from the Reach Up program.

G. Aid from other sources to meet needs not covered by the assistance grant, for example:

1. Aid granted for a specific purpose, such as vocational rehabilitation, including incentive allowances being paid by the Division of Vocational Rehabilitation to an active Reach Up recipient.

2. Aid for items and/or services not included in the standard assistance plan or medical assistance, such as special training for a child through a private agency, eyeglasses, dental care, etc.

3. General Assistance benefits.

H. Payments made pursuant to a court order for support or alimony, or an Administrative Order for support issued by the Human Services Board, or a contract between the Office of Child Support and noncustodial parent requiring the payment of support. This income exclusion is limited to payments actually made by a member of the assistance group toward the support of a person(s) outside the assistance group. The payment amount is deducted first from the assistance group's countable earned income with any balance deducted from unearned income.

I. Federally subsidized adoption assistance for special needs children, when verified by the Family Services Division (FSD) or a comparable agency in another state.

J. Payments for dependent care for a child who is not a member of the Reach Up assistance group but for whom a Reach Up parent, stepparent or caretaker is legally liable. The child and the child care must meet the requirements in rule 2316.

The provider of care must be at least 18 years of age, or at least 16 years of age if the provider has a high school diploma or GED or attends secondary school full time, and must meet the conditions specified under rule 2316 for providers of child care.

The actual amount paid or the FSD maximum payment rate for child care, whichever is less, shall be deducted from the parents or caretakers countable gross earned income.

K. In determining the countable income of a nonparental caretaker (rule 2221), payments for dependent care for an incapacitated spouse or other household member who is or could be claimed by the caretaker as a tax dependent.

The dependent care must be necessary for the employment of the nonparental caretaker. Payments for dependent care provided by a member of the assistance group, other legally liable relative or legal guardian do not qualify as necessary dependent care expenses under this policy.

The provider of care must be 16 years of age or older and submit a completed and signed form 218 P. The child must meet the age requirements in rule 2316.1.

The actual amount paid, up to a maximum of $175 per month, shall be deducted from the household's gross earned income.

L. The value of 3SquaresVT benefits under the Food Stamp Act of 1977.

M. The value of the U. S. Department of Agriculture donated foods (surplus commodities).

Excluded Income

N. Any payment received under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

O. Earned income of an eligible child if the child is a full- or part-time student. A student is a person who is enrolled in a school, college, university, or a course of vocational or technical training designed to fit him or her for gainful employment. The exclusion shall continue to apply during temporary interruptions in school attendance due to semester or vacation breaks, provided the child's enrollment will resume following the break.

P. Court ordered cash contributions for medical support paid by a noncustodial parent.

Q. Payments for support services and/or reimbursement for out-of-pocket expenses made to individual volunteers serving as foster grandparents, senior health aides, or senior companions, and to persons serving in the Service Corps of Retired Executives and Active Corps of Executives and any other program under Titles II and III pursuant to Section 418 of P.L. 93-133.

R. Payments to individual volunteers under Title I of P.L. 93-133 Section 404(g), University Year For Action payments under P.L. 93-113, and PL 96-143, Section 9 (VISTA) payments, unless determined by the Director of ACTION to be equivalent to or greater than the federal or state minimum wage.

S. The tax-exempt portions of payments made pursuant to P.L. 92-203 (Alaska Native Claims Settlement Act of l973).

T. Payments distributed per capita to or held in trust for members of any Indian Tribe under P. L. 92-254, P.L. 93-134, or P.L. 94-540.

U. Payments received for the care of foster children in the custody of and placed by the Family Services Division.

The room-and-board portion of income received by developmental home providers furnishing qualified foster care to individuals placed by the Department of Developmental and Mental Health Services (DDMHS) or by a developmental or mental health services agency under contract with DDMHS. (See 2253.2).

V. Experimental Housing Allowance Program payments made under Annual Contributions Contracts entered into prior to January 1, 1975, under the U. S. Housing Act of 1937, as amended.

W. Reach Up support services, either as reimbursements or advance payments to the individual for child care, transportation, work-related expenses, work-related supportive services, education, or training-related supportive services.

Payments or reimbursements for child care expenses provided under Child Care Assistance for non-participants in Reach Up are also excluded as income in determining eligibility for or the benefit amount in Reach Up .

X. Any benefits received under Title VII, Nutrition Program for the Elderly, of the Older American Act of 1965, as amended.

Y. The value of supplemental food assistance received under the Child Nutrition Act of 1966, as amended, and the Special Food Service Program for children under the National School Lunch Act, as amended (P.L. 92- 433 and P.L. 93- l50).

Z. Receipts distributed to members of certain Indian tribes referred to in Section 5 of P.L. 94-ll4 effective October l7, l975.

AA. Any income received from an emergency fuel supplement or energy allowance to assist with the cost of heating.

Excluded Income

AB. The first $50 in child support payments made by an absent parent on behalf of an assistance group member within each calendar month. When more than one absent parent makes child support payments on behalf of a single Reach Up assistance group in the same calendar month, the maximum amount of child support to be disregarded in determining the assistance group's eligibility is $50.

AC. Payments to persons of Japanese or Aleut ancestry as restitution for injustices suffered during the Second World War.

AD. Vermont and Federal Earned Income Tax Credits (EITC), whether received with each paycheck or as a refund (lump sum), shall not be counted as income.

AE. Payments made from the Agent Orange Settlement Fund or any other fund established because of the Agent Orange product liability litigation are excluded as income in determining eligibility for or the benefit amount in Reach Up financial assistance. This provision is retroactive to January 1, 1989 according to P. L. 101-201 enacted December 6, 1989 and P. L. 101-239 enacted December 19, 1989.

AF. Payments made pursuant to the Radiation Exposure Compensation Act (Public Law 101-426).

AG. Payments made under Indian Trust Funds Acts (Public Laws 97-458 and 98-64) and initial purchases made with such funds by the original recipient of the funds.

AH. Interest held in a trust or in restricted lands pursuant to section 8 of Public Law 93-134 and up to $2,000 annual income received from the lease or other uses of the individually-owned trust or restricted lands.

AI. Distributions made under Public Law 100-241 which amended the Alaska Native Claims Settlement Act as follows:

1. cash, including cash dividends on stock received from a Native Corporation, to the extent that it does not, in the aggregate, exceed $2000 per individual per calendar year; or

2. stock including stock issued or distributed by a Native Corporation as a dividend or distribution on stock; or

3. a partnership interest; or

4. land or an interest in land, including land or an interest in land received from a Native Corporation as a dividend or distribution on stock; or

5. an interest in a settlement trust.

AJ. Payments made pursuant to the Maine Indian Claims Settlement Act of 1980 to a member of the Passamaquoddy Indian Tribe, the Penobscot Nation, or the Houlton Band of Maliseet Indians.

AK. Payments made to a member of the Aroostook Band of Micmacs pursuant to the Aroostook Band of Micmacs Settlement Act.

AL. Financial assistance paid through the Disaster Relief Act of 1974 as amended by Public Law 100-707 in 1988 and provided as major disaster and emergency assistance is excluded both as income and a resource in determining eligibility or benefit levels. This disaster coverage is intended to provide relief to people living or working in an area severely struck by natural or man-made disaster. The disaster must have been so severe as to cause the President to designate a Federal Disaster Zone. Additional relief provided under these circumstances by States, local governments and disaster assistance organizations is also excluded.

Excluded Income

AM. German reparations to concentration camp survivors, slave laborers, partisans, and other victims of the Holocaust. Settlement payments to victims of Nazi persecution or their legal heirs resulting from the confiscation of assets during World War II.

2280 Resources (04/01/2008, 08-02)

Resources are defined as any assets, other than income, that a Reach Up applicant or member of an assistance group has available to meet need. Such assets generally take the form of real or personal property the applicant or participant owns individually or jointly with other persons.

The Department shall evaluate the total equity value of all resources, except items specifically excluded, to establish their combined value for comparison with the resource limitation below. When a member of the assistance group and one or more persons who are not members of the same assistance group own resources jointly, the department shall consider at least a pro rata share of the resources available to the assistance group unless the assistance group can demonstrate that such resources are inaccessible to the assistance group. When the assistance group can demonstrate that it has access to only a portion of the resource, the value of that portion shall count toward the assistance group's resource limitation. The resource shall be considered totally inaccessible to the assistance group if the resource cannot practically be subdivided and the assistance group's access to the value of the resource is dependent upon the agreement of the joint owner.

When a member of an assistance group receives any liquid asset during a period of Reach Up participation (including periods of participation with zero benefits) and the asset is not otherwise excluded from consideration as income or resources in the determination of eligibility for Reach Up the department shall treat the asset as Lump Sum Income subject to the regulations under that heading. This includes liquid assets obtained as a result of the sale of a non excluded or excluded resource unless the participant acquired the resource while not participating in Reach Up.

The department shall disregard from the combined resource limitation any portion of a bank account, cash on hand, or other liquid asset, that an applicant or participant has set aside for currently incurred expenses, such as property taxes or fire insurance premiums, included in the family's Reach Up basic needs and housing allowance for which payment is not yet due. The department shall disregard from the combined resource limitation an amount equal to the applicant or participant family's monthly income if it is established that this income constitutes cash on hand or money in a checking account to be used to meet current monthly expenses.

Future or potential resources shall be identified and developed, when feasible, (see Potential Income and/or Resources). Assistance needed, based on currently available resources, shall, however, continue until such resources become, in fact, available.

2281 Combined Resources Limitation (04/01/2008, 08-02)

The maximum allowable resources, including both liquid and non-liquid assets, of all members of the household shall not exceed $2000 for the household.

The total equity value of all real and personal property, except excluded items, may not exceed the above amount.

Transfer or Assignment Prohibited (07/01/1994, 94-12)

Any individual who, or whose spouse, has voluntarily assigned or transferred property or income for the purpose of qualifying him/her for such assistance or for a larger amount than that to which he would otherwise be entitled is disqualified. Property affected includes any or all real or personal property subject to consideration as total resources subject to limitation.

Property transfers which occurred more than two years before the date of application for assistance shall not affect eligibility; this time interval affords reasonable presumption that such transfer was not made contrary to regulation.

Property transfers which occurred less than two years before the date of application for assistance shall not disqualify the individual if:

A. Apparent or stated reason(s) for transfer, supported by adequate facts, establishes, that the transfer was not made solely to qualify for assistance (e.g., needed income, relief from excessive property costs and/or upkeep responsibilities, foreclosure imminent, etc.).

B. Applicant received fair market value and remaining proceeds are within resource limitations.

C. Applicant's equity in property at the time of transfer to a legally liable relative has been exhausted on applicant's/recipient's behalf, as demonstrated by expenditures by the relative to equal such equity for any one or more of the following:

1. Medical care (physician, hospital, nursing home, medications, health insurance, etc.).
2. Funeral expenses of deceased spouse (including cemetery lot, perpetual care, marker and/or monument).
3. Property taxes, mortgage payments, property insurance.
4. Cost of maintaining applicant's home (shelter, including normal repairs but not extensive improvements, and cost of basic requirements of food, clothing, incidentals, fuel, utilities, etc., according to department standards).
5. Cost of maintaining applicant in the relative's home (shared household expense, room and board or custodial care, according to department standard).

If the applicant cannot establish eligibility by facts supporting use of his/her equity, he/she may qualify by having the property reconveyed to him/her for consideration as an available resource.

2281.2 Property Sales (10/01/1990, 90-35)

A. Lump sum settlement from sale of real or personal property owned by a Reach Up assistance group member during a period of receipt of Reach Up benefits generally has the effect of

converting an excluded asset to a liquid asset subject to the Lump Sum Income policy. Note that per that policy, if the real or personal property was acquired when the individual was not in receipt of Reach Up benefits, it is not considered a windfall payment but instead treated as a resource (see Excess Resources). An exception is a recipient who sells real property, used and occupied as the permanent home, shall be permitted to retain the net proceeds from that sale for a period not to exceed 90 days providing that:

1. Net proceeds are held in trust; and

2. The plan is to use these proceeds for purchase or construction of another home; and

3. The recipient certifies that the money will be held in trust only for the purpose of obtaining another home.

4. If at the end of the 90 day period there is no agreement to purchase another permanent home (which shall be occupied within 60 days from date of agreement) or to construct a home (which shall be completed and occupied within twelve months from date of agreement), the trust is subject to the Lump Sum Income policy.

B. A time payment contract on any real or personal property is treated as income and the balance of equity remaining from the mortgage is not considered a resource.

NOTE: The client retains the option of selling the mortgage, or accepting a lump sum settlement (see A. above) which is subject to the Lump Sum Income policy.

2281.3 Excess Resources (07/01/2001, 01-06F)

Any resources in excess of the allowable maximum and not treated as lump sum income (rule 2270.1) shall be considered available to the assistance group for use.

An assistance group shall become ineligible until such excess is exhausted. If the excess, however, is equal to or exceeds the grant amount that the assistance group would receive, the assistance group is ineligible for a period of 30 days or until resources fall below the maximum, whichever is longer.

2282 Real Property (11/01/1984, 84-54)

Real property is defined for purposes of public assistance eligibility as land or property (i.e. buildings) affixed thereto. All mobile homes shall be considered "real" property.

Real property owned, used and occupied as a home by the applicant or recipient or spouse or minor child(ren), regardless of value shall be excluded from combined resources subject to limitation.

The value of the applicant's or recipient's equity in real property which is owned, but is not being occupied as a home by the applicant or recipient or spouse or minor child(ren), may be excluded from the total combined resources for a period of up to 6 months provided the family is making a good faith effort to sell the property. Assistance paid during this period shall be considered an overpayment, since Reach Up would not have been granted had the owner had the proceeds of the sale in hand. The recipient must agree that the proceeds of the sale shall be used to repay the Reach Up paid. The balance shall be counted as a resource.

If at the end of six months the property has not sold, and the recipient continues to demonstrate a good faith effort to sell, the equity may be excluded from resources for a further period of 3 months with the approval of the District Director. At the end of that time the equity in the property, if still unsold, must be considered as a resource.

When an applicant or recipient and eligible child(ren) are temporarily living at a location other than property owned, and that property was previously used and occupied as their home, expenses necessary to maintain their former home for their return shall be allowed in accord with "temporary absence". (rule 2211) When absence continues beyond six months, exemption of the property as "a home" must be re-evaluated in light of the circumstances precluding their return to the home and the expected duration of their absence from the home.

For treatment of any real property which is transferred, see "Transfer or Assignment Prohibited" (rule 2281.l).

INTERPRETIVE MEMO

[X] Reach Up Rule Interpretation **[ ] Reach Up Procedure Interpretation**

This interpretive memo remains effective statewide until it is specifically superseded–either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference **2283.1** **Date of this Memo** **08/26/1992** **Page** **1 of 1**
This Memo: [X] is New [ ] Replaces one dated _____

QUESTION: Are loans counted as income or resources or can they be excluded?

ANSWER: Bona fide loans regardless of purpose shall not be considered to be income or a resource available to the household. A loan shall be considered bona fide if it is from an establishment or individual that is in the business of making loans and is evidenced by a written agreement to repay the money within a specified period of time.

If obtained from an establishment or individual not normally engaged in the business of making loans, evidence that the loan is bona fide would be provided by a written agreement between the parties to the loan that specifies a timetable or plan for repayment.

A loan is considered bona fide even if it is repaid without interest or was obtained without being secured with collateral.

Grants, such as scholarships, obtained and used, regardless of source, for a specific purpose which precludes their use for current living costs continue to be excluded.

2283 Personal Property (01/01/1984, 83-61F)

Personal property includes all liquid or non-liquid assets, other than real property.

In cases where payments are being received on notes and mortgages according to a time payment contract and are being considered as income, it is not necessary for the client to agree to convert to liquid assets, although that option is available.

If payments are not being made on a time contract and steps are not being initiated to foreclose, the entire equity remaining in a mortgage shall be considered as a resource. If such resource exceeds the maximum allowable, the case will be closed.

2283.1 Liquid Assets (11/01/1984, 84-54F)

Liquid assets are defined as cash or assets which can readily be converted to cash. Examples include: bank accounts (savings or checking); postal savings; credit union or building and loan shares; contents of safe deposit boxes; savings bonds; stocks and other securities; notes or mortgages payable to the applicant/recipient; etc.

Interest on savings accounts shall be considered only at time of initial application and at each regularly scheduled review. In those cases where resources are close to the maximum allowed, up-to-date verification of accrued interest shall be required. If, at time of review, recipient has excess resources, the recipient will be determined ineligible until excess resources have been used to meet need.

Stocks, bonds (including savings bonds) and other securities shall be evaluated at the current market or redemption value.

The principal due on outstanding notes and/or mortgages payable to an applicant/recipient and/or spouse shall be considered.

Loans and grants (such as scholarships) obtained and used, regardless of source, for a specific purpose which precludes their use for current living costs shall be excluded.

Trust funds - Trust Accounts (11/01/1984, 84-54F)

Evaluation of trust funds or trust accounts shall take into account the terms of the trust. The value of principal which can he made immediately available to the applicant/recipient and/or spouse shall be considered. The value of principal which cannot be made available shall be excluded; however, any special provisions for use of principal (such as payment of medical expenses, upkeep of property, etc.) shall be evaluated as a future or potential resource, including but not limited to recovery potential. It is also necessary to take into consideration the value and possible use of interest accruing from trust funds. Unless prohibited by terms of the trust, accrued interest shall be considered as income in the month received and a resource thereafter.

Burial Plots - Funeral Agreements (11/01/1984, 84-54F)

One burial plot for each individual in the Reach Up unit may be excluded as a resource. One funeral agreement per member may also be excluded provided the equity value of the agreement does not exceed $1500.

2283.4 Pension Funds (07/01/2001, 01-06F)

Pension funds and annuities must be included as a family resource unless the applicant or participant can demonstrate that these funds are not and cannot be made available to the family. This includes funds held in Individual Retirement Accounts (IRA's) and in Keogh plans, provided there is no contractual relationship that involves the individual with someone outside the household. In counting resources of households with IRA's or Keogh plans, the total cash value must be counted minus the amount of penalty, if any, for early withdrawal.

2283.5 Vehicles (07/01/2001, 01-06F)

A vehicle is defined as a passenger car, truck or jeep, motorcycle, camper, van, snowmobile or boat that is stored on blocks or is operable (i.e., includes all major operating parts, such as engine, transmission, wheels, steering mechanism, etc.).

A nonoperable vehicle minus operating parts is considered junk and thus does not come within the definition of a vehicle; however, the salvage value of a junked vehicle may represent a substantial resource requiring individual evaluation.

The equity value of one operable motor vehicle per assistance group with one adult (rule 2301) and of two operable motor vehicles per assistance group with more than one adult is excluded as a resource. In situations where the assistance group owns additional vehicles, the applicant or participant shall identify each vehicle to be excluded. The equity value of all remaining vehicles owned by members of the assistance group, unless otherwise excluded, must be counted towards the resource limitation. Equity value equals fair market value minus debt owed.

If a vehicle excluded under this provision is sold and then replaced within 30 days of the date of the sale with another vehicle, the proceeds from the sale will be disregarded as a resource during this 30-day period.

To determine the fair market value of all countable vehicles, see Procedures, P-2211.

In situations where the applicant or participant disagrees with the determined value of the vehicle being considered, a written appraisal of the value submitted by a licensed dealer will be accepted.

Income-Producing Property (07/01/2001, 01-06F)

Personal property used as a means of livelihood (i.e., to produce income) is excluded from total value of combined resources (rule 2284).

Income-producing property may include vehicles, tools, livestock, equipment, machinery and similar goods owned, usually in quantities beyond the customary needs of normal living, and in fact, used by members of an assistance group to produce income for support of the group. This may include income-producing property owned by a participant who is currently unemployed, but can reasonably be expected to return to work. If, however, there is no expectation that the participant will return to work, at least in that particular field, then the personal property shall be considered as a resource (rules 2281.2 and 2282).

2284 Excluded Resources (07/01/2001, 01-06F)

The following items are excluded from consideration to determine total resources:

A. Real property owned, used and occupied as a home by applicant or recipient or the spouse of an applicant or recipient.

B. Equity value in real property owned but not occupied as a home by an applicant or recipient for a certain period of time when a good faith effort is being made to sell (rule 2282).

C. Basic items essential to day to day living such as clothes, furniture and other similarly essential items of limited value.

D. Personal property used to produce income (rule 2283.6).

E. The value of the coupon allotment under the Food Stamp Act of 1964.

F. The value of the U. S. Department of Agriculture donated foods (surplus commodities).

G. Any resources held by a recipient of SSI/AABD.

H. Any payment received under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

I. Grants or loans to any undergraduate student for educational purposes which are made or insured under any program administered by the Commissioner of Education, or any grant or loan which is made for educational purposes and the sponsor of such grant or loan precludes the use of such funds for maintenance purposes. All resources remaining from student grants, loans, or work/study if:

   1. Such loans or grants are made under a program administered or insured by the U. S. Commissioner of Education, or

   2. The sponsor of the grant or loan precludes its use for maintenance purposes, or

   3. The work/study program is administered by the college or university in which the undergraduate student is enrolled.

   Examples of excludable resources include: Basic Educational Opportunity Grants, Vermont Student Assistance Corporation grants or loans, National Direct Student Loans, Senatorial Scholarships, Supplemental Educational Opportunity Grants, and College Work Study Program income.

J. One burial plot for each individual on the grant and one funeral agreement per individual (rule 2283.3).

K. Any amount of renters' or property tax rebate excluded from income under rule 2270.1 and set aside for the purpose of using it to pay rent or property taxes due within 12 months of the assistance group's receipt of such rebate.

L. Payments to persons of Japanese or Aleut ancestry as restitution for injustices suffered during the Second World War.

M. Vermont and Federal earned income tax credits (EITC), whether received with each pay check or as a refund following the end of the tax year, are excluded as a resource in the month in which they are received and in the following month. They continue to be excluded in subsequent months, subject to the criteria for assets accumulated from subsidized or unsubsidized earnings in (O) below.

Excluded Resources

N. Payments made from the Agent Orange Settlement Fund or any other fund established because of the Agent Orange product liability litigation, retroactive to January 1, 1989.

O. The value of assets accumulated from the subsidized or unsubsidized earnings of adults and children in participating families is excluded for the purposes of determining continued eligibility. Interest earned on excluded assets is also excluded. Nonliquid assets, purchased with savings from earnings or with a combination of savings from earnings and other excluded income or resources, such as SSI/AABD retroactive benefits or federal earned income tax credit lump sum income, are excluded.

Liquid assets excluded under this policy must be kept in a separate bank account from other liquid assets, unless to do so would create a hardship. A hardship exists when there is no bank within a reasonable distance from the earner's residence or place of work that allows a bank account without charging fees.

If a family reapplies for assistance after Reach Up terminates, assets accumulated during the time the family was not participating in Reach Up are excluded, provided that all other criteria specified for exclusion are met.

P. Payments made pursuant to the Radiation Exposure Compensation Act (Public Law 101-426).

Q. Payments made under Indian Trust Funds Acts (Public Laws 97-458 and 98-64) and initial purchases made with such funds by the original recipient of the funds.

R. Interest held in a trust or in restricted lands pursuant to section 8 of Public Law 93-134 and up to $2,000 annual income received from the lease or other uses of the individually-owned trust or resticted lands.

S. Distributions made under Public Law 100-241 which amended the Alaska Native Claims Settlement Act as follows:

1. cash, including cash dividends on stock received from a Native Corporation, to the extent that it does not, in the aggregate, exceed $2000 per individual per calendar year; or

2. stock, including stock issued or distributed by a Native Corporation as a dividend or distribution on stock; or

3. a partnership interest; or

4. land or an interest in land, including land or an interest in land received from a Native Corporation as a dividend or distribution on stock; or

5. an interest in a settlement trust.

T. Payments made pursuant to the Maine Indian Claims Settlement Act of 1980 to a member of the Passamaquoddy Indian Tribe, the Penobscot Nation, or the Houlton Band of Maliseet Indians.

U. Payments made to a member of the Aroostook Band of Micmacs pursuant to the Aroostook Band of Micmacs Settlement Act.

V. Student financial assistance provided under the Carl D. Perkins Vocational and Applied Technology Education Act is disregarded as income or resources when the assistance is made available to meet attendance costs. Attendance costs include:

1. tuition and fees normally assessed a student carrying the same academic workload as the applicant/recipient as determined by the institution, and including costs for rental or purchase of any equipment, materials, or supplies required of all students in the same course of study as the applicant/recipient; and

2. an allowance for books, supplies, transportation, dependent care and miscellaneous personal expenses for a student attending the institution on at least a half-time basis, as determined by the institution.

W. Student financial assistance provided under Title IV of the Higher Education Act or under Bureau of Indian Affairs student assistance programs.

Examples of student financial assistance authorized by Title IV of the Higher Education Act are:

- Pell Grants;
- Supplemental Educational Opportunity Grants (SEOG);
- State Student Incentive Grants (SSIG);
- College Work-Study (CWSP);
- Guaranteed Student Loans (or GSLP including PLUS loans and Supplemental Loans for Students); and
- Perkins Loans (formerly National Direct Student Loans). These are different from loans under the Carl D. Perkins Vocational and Applied Technology Education Act, (see #22 above).

X. Financial assistance, paid through the Disaster Relief Act of 1974 as amended by Public Law 100-707 in 1988, provided as major disaster and emergency assistance is excluded both as income and a resource in determining eligibility or benefit levels. This disaster coverage is intended to provide relief to people living or working in an area severely struck by natural or manmade disaster. The disaster must have been so severe as to cause the President to designate a Federal Disaster Zone. Additional relief provided under these circumstances by States, local governments and disaster assistance organizations is also excluded.

Y. German reparations to concentration camp survivors, slave laborers, partisans, and other victims of the Holocaust.

Settlement payments to victims of Nazi persecution or their legal heirs resulting from the confiscation of assets during World War II.

Z. Loan value and cash value of whole life insurance.

AA. Savings from earned income, matching dollar contributions, and accumulated interest deposited in Individual Development Accounts (IDAs).

2290 Potential Income and Resources (08/01/1997, 97-14)

Potential sources of income or resources to meet current or future needs of applicants or recipients shall be explored.

Practical and feasible steps in identifying and developing potential income or resources include:

A. Filing application for unemployment compensation to which the individual may be entitled. If a person potentially eligible for unemployment compensation fails or refuses to apply for unemployment compensation, he or she shall be ineligible for Reach Up.

B. Cooperating with the department in contacting relatives who may be legally liable for child support. (rule 2235.1)

C. Cooperating with the department in pursuing legal action to enforce support obligations or liability claims, establish parentage or take other steps to secure potential sources of income or resources.

2291 Pension and Benefit Programs (08/01/1997, 97-14)

Entitlement to social security, Supplemental Security Income, railroad retirement, veterans' benefits or similar benefit programs will be explored with the applicant/recipient. Current age, physical or mental conditions, and survivor/dependent status of applicants/recipients, together with employment and military service history of such individuals and their legally liable relatives, may indicate potential or future entitlement of such benefits.

If any member of a Reach Up family is an elderly or disabled adult or the child of a deceased or disabled parent and has not already applied for social security or Supplemental Security Income benefits, the family shall be referred to the nearest social security office to apply for these benefits.

2292 Insurance and Liability Claims (11/01/1972, 72-148)

Insurance, in general, provides protection against specific future or unanticipated expense or loss of income. Provisions of the following types of insurance owned by applicant(s)/recipient(s) shall be evaluated for immediate or future potential income or resources.

A. Life insurance, as a resource for burial and/or other final expenses of the insured, and as a source of income and/or resources for surviving beneficiary applicant(s)/recipient(s).

B. Health insurance, as a resource for expenses of illness or accident.

C. Disability income protection (sometimes combined with either life or health insurance), as a resource to meet current needs of the insured and/or legal dependents.

Potential liability of a third-party shall be identified and appropriate claim action initiated in cases involving personal injury and/or property damage. When appropriate, such claims shall be referred to the Quality Control Division for recovery action.

2293 Support from Relatives (10/01/1993, 93-47)

The Department stresses both the moral and legal support obligation of spouses for each other and parent(s) for child(ren).

Potential sources of support from the following legally liable relatives shall be identified during the application/review process:

A. Parent of dependent child(ren) who is absent from the home for any reason other than death;

B. Spouse who is absent from the home for any reason other than death.

Applicants/recipients shall be encouraged to take the initiative in securing support from other interested relatives and/or friends when appropriate.

All available information about the alleged father of a child born out-of-wedlock, including but not limited to his name, shall be obtained from the mother or other caretaker of such child and referred to the Office of Child Support for confidential evaluation of and recommendation to the Commissioner of practical and feasible action to establish paternity or secure support. If the district worker feels it is not in the best interest of the child to have paternity established, or support pursued, a notation to this effect must be included with the referral specifying the reason for the recommendation and a waiver request completed.

In all other cases, essential information concerning support potential and location shall be obtained from the applicant/recipient. Information obtained shall be referred to the Office of Child Support for initiation of action to secure support.

However, if the non-custodial parent is a stepparent to the child(ren) in the assistance group and is divorced, legally separated, or living apart from the applicant/recipient spouse, support from the stepparent is not pursued because absence results in the termination of his or her financial obligation to the children.

Notice to Law Enforcement (10/01/1993, 93-47)

33 VSA § 1104 requires prompt notice to the appropriate law enforcement officials when assistance is granted due to desertion or abandonment of a child by a parent. Responsibility for legal action in accord with 15 VSA § 201-210 rests with the dependents of the deserting parent and the state's attorney, the official charged with enforcing laws relating to the abandonment or desertion of children or minors.

Notification is required in all cases of desertion by a natural, step or adoptive parent. This includes any married parent even though "allegedly" not the father of a child or children, since by law children born in wedlock are presumed legitimate until proven otherwise.

The Office of Child Support enlists the aid and cooperation of law enforcement officials in pursuit of support; locates the deserting parent, if possible, and contacts him to encourage voluntary assumption of his legal responsibility for his family; provides information necessary for legal action in accord with efficient administration of the program to law enforcement officers.

The applicant/recipient must be informed of the department's legal obligation under 33 VSA 1104 to report the receipt of assistance to the appropriate law enforcement official. If the applicant is unwilling to have the report made, he has the choice of withdrawing his\her request for assistance. Clear interpretation of this legal requirement, including the possibility that testimony may be required, is needed to enable applicant to make an informed choice.

Contact with Relatives (10/01/1993, 93-47)

An Office of Child Support staff member shall contact by the most practical means, the non-custodial parent, from whom regulations require pursuit of support, when assistance is granted initially and until regular payments are being received by the Department, as long as assistance continues. An Office of Child Support staff member shall contact the alleged father of an out-of wedlock child where action to establish paternity is contemplated.

Child Support contact with parents shall cover the following points:

A. Responsibility to support;

B. Parent's ability to contribute;

C. Explanation of recipient's financial needs;

D. Establishment of payment;

E. Recording support arrangement with court or obtaining appropriate court order.

Contact with legally liable parents shall be made by the most practical means available (personal interview, letter or telephone). If the parent is located outside Vermont, an interview by a representative of an out-of-state public social agency may be requested or by the commanding officer of an individual in military service.

A written summary of recipient information and/or action and all Child Support contacts with legally liable parents shall be maintained in the Office of Child Support.

2293.3 Location of Relatives (10/01/1993, 93-47)

A concerted effort to locate and contact non-custodial parent(s) whose whereabouts are unknown to the recipient, shall be required. A similar effort to locate the alleged father of a child born out-of-wedlock shall be required except in those cases where action to establish paternity has been determined not to be in the best interests of the child.

The Commissioner has legal authority (33 VSA § 113) to request information to assist in locating parents involved in desertion and non-support cases through a record search by other state agencies. Assistance may be requested through the Federal Parent Location Service (FPLS) in the manner and form prescribed by the Secretary of Health and Human Services. The Office of Child Support will maintain a parent locator service and process all requests to the FPLS for both recipients and for persons not otherwise eligible for Reach Up.

Support from Relatives

Referral to Office of Child Support (04/01/2008, 08-02)

The Office of Child Support is responsible for pursuit of support from legally liable parents. Referral by completing specified forms shall be required when Reach Up has been granted or continues to a family in which a parent is absent from the home for any reason other than death.

Participating parents who receive assistance through a Solely State Funded Program (2180-2183.1) shall assign all child support rights to the DCF. The participating parent shall apply for services from the OCS, if not already receiving such services, and cooperate fully with the OCS in their efforts to collect the assigned support. The department shall deny or terminate assistance to participating parents who fail or refuse to apply for services from OCS.

The OCS reviews information concerning alleged parentage as furnished by the custodial parent of an out-of-wedlock child, evaluates the legal and social factors involved, and pursues support as appropriate based on the facts of the case. A representative of the OCS contacts the alleged noncustodial parent when OCS concludes that action to establish parentage is in the best interests of the child.

Cooperation with Courts (10/01/1993, 93-47)

The Office of Child Support coordinates activity with appropriate courts when the following legal procedures are deemed practical and feasible:

A. Criminal non-support action brought by a State's Attorney in District Court for desertion and non-support of dependent children (15 VSA § 201 et. seq.);

B. Petition for a support decree to enforce support obligation of a husband who has deserted or failed to support without just cause (15 VSA § 291, 293);

C. Petition to modify or amend a support decree in cases of divorce or legal separation (15 VSA § 660 and 668);

D. Contempt action to enforce provisions of a support decree currently in arrears (15 VSA § 603);

E. Action under the Uniform Reciprocal Enforcement of Support Act (15 VSA § 385-428) to secure support from a relative living in another state;

F. Action to establish the paternity of recipient children and provide for their support (15 VSA § 301 et. seq.);

G. Action to establish child support (15 VSA § 658);

H. Action to enforce a child support obligation through garnishment or attachment in Superior Court or before the Family Court (33 VSA § 3902).

The Office of Child Support as the State Information Agency under URESA carries out the following duties: (15 VSA § 405):

A. Compiles a list of courts and their addresses having jurisdiction and transmits same to the State Information Agency of every other state which has adopted the same or similar legislation;

B. Maintains a register of lists received from other states and transmits copies thereof as soon as possible to every court in Vermont having jurisdiction.

Support from Relatives

Collections for Non-Reach Up Families (07/01/2001, 01-06F)

Families with children not receiving Reach Up financial assistance may request child support collection and parentage establishment services from OCS.