

Department of Social and Health Services

Olympia, Washington

EAZ Manual

Revision # 884
Category Verification – Cash and Basic Food
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Summary

The Office of Programs and Policy in the Community Services Division (CSD) added text to Clarifying Information in the **Verification** section under WAC 388-490-0005 on July 24, 2014, to define Living Above Means (LAM) and explain the actions that an eligibility worker should take regarding LAM. References to MCR's and LAM are being revised.

Please see text below for summary of changes in red:

3. Living Above Means (LAM)

a. What is LAM?

A positive LAM determination suggests that a household has some way of paying for their living expenses through nonstandard or unexplained ways. A household is considered LAM when the AU's countable income for Basic Food (BF) is less than the allowable rent/mortgage costs. These amounts can be found on the FSFI/eligibility screen in ACES/3G.

For purposes of LAM, countable income follows WAC 388-450-0162 except that we do not subtract the shelter (rent/mortgage/utility) deductions under WAC 388-450-0185 (5) because the LAM countable income will be compared to the rent/mortgage. Utility deductions (such as SUA) are not taken into account in any part of the LAM calculations.

b. What should we do when a household is LAM?

i. Application/Eligibility Review (ER): When a household is LAM, we must obtain information about how the household is paying for expenses and meeting needs. This applies to both the BF and TANF AUs (excluding TANF AU's that do not have an accompanying BF AU), even though the determination of LAM is based on countable income for BF.

Set the indicator(s) for BF and TANF in ACES/3G to "Yes" to show that the household is LAM. Even when the household explains/verifies how it meets needs, leave the indicator as Yes so the information can be reviewed at the next ER.

ii. Mid-Certification Review (MCR): MCR processing does not require us to confirm/re-verify LAM. ~~If the household was already LAM and had no changes related to how they were meeting needs, then the situation does not have to be re-explained or re-verified. If during the MCR process, the household is discovered to have become LAM due to reduced income, verify the income change before considering the MCR complete because the situation is questionable.~~

iii. Active Cases/Changes: Active cases should not be pended (such as setting a tickler to check a case later) for LAM or verification of LAM if there is no ~~MCR or~~ ER due.

If an active household reports a change which causes their situation to become LAM, we do not need to verify meeting needs specifically. Note – there still may be cause to verify changes or other questionable circumstances during changes.

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EXAMPLE

Client Bob has MCR due for BF. He turns in the form by mail and indicates there are no changes in income or expenses (since his application 5 months ago). The case was already marked as LAM during the last application process. Bob's AU data shows gross earned income of \$850 monthly and claims rent of \$800 and pays electric heat. After the earned income deduction of \$170 and standard deduction of \$152, the countable income is \$528. Since the countable income of \$528 is less than the rent of \$800, the client is LAM; however, you do not need to delay processing of ~~an~~ MCR for explanation of LAM ~~because there was no change at MCR to the previous LAM situation.~~

EXAMPLE

Client Holly sends a letter of termination from her employer stating that her last pay was one week ago. There is no ~~MCR or~~ ER due, so this change will follow the change of circumstances rules.

Since the stop work was verified, the income should be removed. Though the client may now be considered LAM, no explanation or verification regarding the new LAM determination should be requested. LAM will be reviewed at the next ER.