
ADMINISTRATIVE DIRECTIVE

TRANSMITTAL: 94 ADM-10

TO: Commissioners of
 Social Services

DIVISION: Economic
 Security

DATE: June 7, 1994

SUBJECT: Budgeting of a Home Relief (HR) Case when a Legally
 Responsible Relative in Receipt of Supplemental Security
 Income (SSI) is in the Household Rice v. Perales

 SUGGESTED

DISTRIBUTION:	Income Maintenance (IM) Staff Medical Assistance (MA) Staff Food Stamp (FS) Staff CAP Coordinators Staff Development Coordinator
CONTACT PERSON:	Call 1(800) 343-8859: Income Maintenance Programs: Charles Giambalvo, extension 4-9327 (AV1810) Medical Assistance Contacts: Upstate - Sharon Burgess, extension 3-5531 (DMA026) New York City - Representative (212) 383-2512 Claiming: Regions 1-4 - Roland Levie, extension 4-7549 (FMS001) Region 5 - Marvin Gold (212) 383-1733 (OFM270)
ATTACHMENTS:	None

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
91 ADM-38	91 ADM-38	352.2(b) 352.30(e)(1)		<u>PASB</u> XII-E-2- all,H-all XVIII,D-all XIX-C, D, G all <u>FSSB</u> IV-J XII	GIS 93 ES/DC015

I. PURPOSE

This release notifies Social Services Districts (SSDs) how the Department's response to the Rice v Perales Court decision affects the method of calculating HR benefits when an HR recipient lives in the same household with a legally responsible relative who receives SSI.

II. BACKGROUND

In 1991, Department regulation 352.2(b) was amended to end SSI "invisibility" in HR cases. As a result, 91 ADM-38 instructed SSDs to no longer consider an SSI recipient's income and resources as "invisible" when determining eligibility and level of grant for HR (including PG-ADC or VA) cases. Department regulation 352.30(e) instructed SSDs on how to calculate a budget for an HR case when a legally responsible relative in receipt of SSI lives in the household.

As a result of the Rice v. Perales decision, Department regulation 352.30(e) was amended to change the method of calculating budgets for HR recipients living with SSI recipients.

III. PROGRAM IMPLICATIONS

Some HR recipients living with an SSI recipient who were determined ineligible because of provisions of 91 ADM-38 will now be eligible to receive HR benefits and other HR recipients will now receive higher benefits than under the budgeting method described in 91 ADM-38.

IV. REQUIRED ACTIONS

A. Public Assistance

SSDs must prorate the HR needs of a spouse or child(ren) under 21 years of age when a legally responsible spouse or parent in the household receives SSI. SSDs must count the HR recipient's income against the prorated share of needs. However, SSDs must not count the income and resources of the SSI recipient against the HR household member's prorated needs.

NOTE: The calculations of Interim Assistance Reimbursement for multi-person households have not changed (see PASB XIX-G-ALL).

EXAMPLE 1: Proration of Needs

Mr. Smith, an HR recipient who lives in Albany County, resides with his wife who receives SSI benefits. The rent is \$300/month and heat is not included in the rent. Mr. Smith heats his apartment with oil.

Because Mrs. Smith is legally responsible for her husband, her presence in the household is considered in determining his HR grant. The SSD calculates an HR budget for 2 and authorizes $\frac{1}{2}$ the HR budget for 2 to Mr. Smith. The budget would be calculated as follows:

HR budget for 2 Albany County

Basic needs =	\$179.00	
HEA =	22.50	
SHEA =	17.00	
Shelter Max =	204.00	- without heat
Fuel for Heat	69.00	- Oil
	<u>\$491.50</u>	
	2	= \$245.75 = \$245 (rounded down)

The amount authorized as HR is \$245 per month if Mr. Smith has no income.

If Mr. Smith has income such as UIB income of \$100/month, the district must budget the \$100 income and authorize \$145 per month grant to Mr. Smith.

\$245	pro-rated standard of need
<u>- 100</u>	<u>UIB income</u>
\$145	grant amount

Example 2: "Swift" Budgeting

If an HR recipient lives with a non-legally responsible relative in receipt of SSI, "Swift" budgeting, as illustrated in the following example, continues to apply.

Mr. Brown, a 25 year old HR recipient, resides in an apartment in Albany County with his mother. Mr. Brown is the tenant of record. The rent is \$350 per month including heat. Mr. Brown's mother receives the SSI individual "living with others" rate of \$469 per month and contributes \$175 per month toward the rent.

Because Mrs. Brown is not legally responsible for her son, the SSD cannot automatically count her presence nor her income or resources. Therefore, Mr. Brown's PA budget would be calculated as follows:

HR 1 Person - Albany County

Basic Allowance	\$112.00	
HEA	14.10	
SHEA	11.00	
<u>Shelter With Heat</u>	<u>175.00</u>	(\$350 - \$175 contribution)
Total Needs	\$312.00	(rounded down)

Because Mr. Brown has no income, his HR grant will be \$312 a month.

B. Food Stamps

In cases that contain an HR recipient and an SSI recipient, current food stamp budgeting is unaffected by the Rice v. Perales court decision. The processing of mixed food stamp households is specified in FSSB IV-J. The treatment of SSI or unearned income is specified in FSSB XII.

C. Medical Assistance

As explained in 91 ADM-38, in determining Medical Assistance eligibility for all applicants/recipients (A/Rs) who live with individuals receiving SSI, the SSI recipient and his or her income and resources continue to be considered "invisible".

In cases where PA has determined that an A/R is ineligible for cash assistance because a SSI recipient's presence has been taken into account in the budget, districts must do a separate determination for MA that excludes the SSI recipient. In determining eligibility for MA-Only HR-related A/Rs, the SSI recipient and his or her income and resources continue to be excluded.

D. Claiming

Payments made to HR recipients as a result of the Rice v. Perales decision should be claimed like any other HR payments and claimed on Schedule C.

V. SYSTEM IMPLICATIONS

1. Upstate

Rice PA budgeting can be accomplished on Upstate ABEL by including the SSI recipient in the Household Count (Number: HH) but not in the Case Count (Number: CA). This results in the PA needs being prorated in the same manner as cooperative cases. The SSI recipient's income is not included on the budget.

For Example 1 in Section IV.A above, the entries would be: 02 in the HH; 01 in the CA; and \$100.00 unearned income coded as UIB (SCR Code 49).

2. New York City

In order to obtain the appropriate proration of public assistance benefits and the correct food stamps amount for the household, it is necessary to perform the following two step calculation:

STEP 1

- o Enter code 1 in the LRR field of the Household Screen (NSBL02). Remember to enter the actual rent paid up to the maximum for the household size in the SHELTY: AMT field of the NSBL02 screen.
- o Access the individual screen (NSBL06) for the PA recipient and enter income source code 52. DO NOT enter income in the GROSS field. Enter code 1 for the FREQ and code P for the PROG.
- o Access the individual screen (NSBL06) for the NPA/legally responsible SSI recipient. Enter code 31 (SSI Income) in the income source field, the income amount in the GROSS field, code 1 for the FREQ and code F for the PROG.
- o Access the budget results screen (NSBL80). Note the amount in the PA grant field which you must use in Step 2 of the calculation.

STEP 2

- o Return to the Menu Screen (NSBL00). Enter 08 and the Case Number to access the recalculation function.
- o Enter the line number of the PA recipient at the bottom of the Household Screen (NSBL02).
- o Access the individual screen (NSBL06) for the PA recipient and enter the PA grant in the GROSS field (next to the income source code 52 entered in Step 1).

VI. ADDITIONAL INFORMATION

This directive amends Section IV-C of 91 ADM-38. Section IV-A of 91 ADM-38 is contained in the PASB Section XIX-C-all and XIX-D-all. Section IV-B of 91 ADM-38 is contained in the PASB Section XVIII-D-all. Therefore, we are cancelling 91 ADM-38.

VII. EFFECTIVE DATE

July 1, 1994, retroactive to August 2, 1993.

Oscar R. Best, Jr.
Deputy Commissioner
Division of Economic Security