

Helping Hands

People Helping People Onto the Food Stamp Program



The Federal Farm Bill that authorizes the Food Stamp Program finally passed in June and many of the changes take effect October 1, 2008. See page 3 for some of the improvements to the Food Stamp Program.



Asset Test Eliminated for Most Households

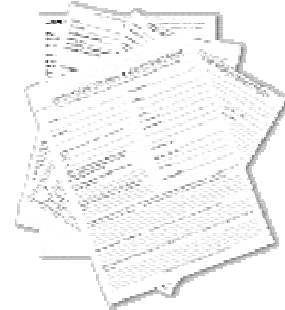
DTA has expanded the categorical eligibility rules for food stamps, removing a barrier to food stamp participation for thousands of additional households.

For the past six years in Massachusetts, families with children under the age of 19 have not been subject to a maximum asset rule. As long as their income fell below the maximum food stamp income guideline for their household size, they could be considered for food stamps, regardless of assets. Now households without children will be treated in much the same way.

Senior and disabled households that have monthly gross incomes of less than 200% of poverty, or other adult households (no children) that have monthly gross incomes of less than 130% of poverty now will be considered categorically eligible for food stamps. Although this does not guarantee them food stamp benefits (benefits are determined through a formula that requires information about expenses as well as income to determine net income) it does mean that their assets will not be considered.

Many people will benefit from this change, including seniors who may have been income eligible all along but had over \$3,000 in assets,

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Food Stamp Application Revised

The newest version of the food stamp application is dated 6/2008. The biggest change is the elimination of the asset question, which now applies to only a small percentage of applicants, thanks to expanded categorical eligibility. The domestic violence question has also been removed. You may still use the old application but the new one can be found at gettingfoodstamps.org, Project Bread's food stamp website. You can also call your local DTA for additional copies.

Simplified Application for Seniors

There is now a two-page simplified application for individuals and couples age 60 or older. This form has eliminated the questions that generally do not apply to senior households and is much easier to complete. As with all food stamp applications, the applicant still needs to have an interview with a DTA worker who will determine what additional information is needed.

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and low-income single people and couples who previously were ineligible due to assets.

Senior and disabled households with income above 200% of poverty may still be eligible, but the asset limit will apply and they must meet the net income guidelines.

Example 1: Dorothy lives alone on Social Security of \$1,000 per month. Although her mortgage is paid off, she has monthly home insurance, tax and water bills totaling \$300. She pays for heat and her monthly medical expenses, including Medicare part B, Prescription Advantage and co-payments for her prescriptions come to \$190. She has savings and checking accounts with about \$11,000 and often must draw upon her savings to meet her monthly expenses, particularly during the cold winter months.

Before the rule change, Dorothy would have been ineligible for food stamps because she had more than \$3,000 in assets. Now, because her income falls within the criteria for categorical eligibility, her assets are excluded. Based on her income and expenses, she is eligible for approximately \$97 in food stamp benefits monthly. That will help her to purchase more of the healthy food she needs and perhaps free up some of the money she currently spends on food so that she won't have to withdraw so much from her savings.

Example 2: Don has been setting aside a small amount from his paycheck each week to save for a "rainy day." He was recently laid off and his unemployment doesn't cover his bills. He is rapidly depleting his savings but currently still has about \$4,000 in the bank. His monthly unemployment income is \$900. His portion of the rent is \$600 and he pays for heat. Under the old rules he would not be eligible for food stamps because he has assets of more than \$2,000, even though his income was below the guidelines.

Under the new rules, based on his income and expenses, he is eligible for about \$61 in food stamps each month, a help until he gets back on his feet.

ABAWD Time Limit Rule Modified

DTA has received a waiver from the USDA that will allow more Able Bodied Adults Without Dependents (ABAWDS) to participate in the Food Stamp Program. Prior to the waiver, ABAWDS were required to work or do community service. Those who were not able to comply could only receive food stamps for three months. As a result many people who had difficulty finding or retaining a job or community service placement lost their food stamp benefits after three months. Now more people will be able to continue to receive food stamps as long as they meet other eligibility requirements.

The waiver is specifically for areas of the state that have high unemployment and therefore fewer opportunities for jobs or community service. Although the waiver does not apply to the whole state, DTA has instituted a procedure for workers to exempt individuals whom they deem to have a barrier to employment or community service placement so that they too can continue to receive food stamps. Those who don't appear to have a barrier to employment may still be subject to the Food Stamp Work Program requirement.

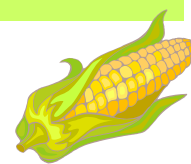


FYI—New MassHealth Cards

Many agencies accept MassHealth cards as a form of identification. The cards generally have used social security numbers as the basis for the identification number. They also list all family members on one card.

To help address privacy concerns, MassHealth is issuing new cards to all patients, assigning each person a new 12-digit identification number. The cards will list only one client per card. Card mailings will be staggered between July and September.

2008 Farm Bill Changes



Below are some of the changes to the Food Stamp Program that will take effect in October.

Name Change. - The name of the Food Stamp Program will be changed to the Supplemental Nutrition Assistance Program (SNAP). The change will be phased in gradually. Each state has the option of using the new name or creating its own.

Standard Deduction - The standard deduction of \$134 will increase to \$144 in October and will be indexed to inflation starting in FY 2010.

Dependent Care Deduction - The cap on the dependent care deduction will be eliminated, allowing working families with children to deduct the entire amount of child care expenses when calculating eligibility and benefit levels. This could make a big difference since the current limit for the deduction is \$175 - \$200 per month, per child, and many families pay significantly more than that.

Minimum Benefit - The \$10 minimum benefit will increase slightly (to about \$14 in October) and thereafter will be indexed to 8 percent of the cost of the maximum allotment for a household of one.

Retirement and Education Accounts - Most education and retirement accounts like IRAs will be excluded from consideration as assets. Although Massachusetts has already eliminated asset limits for most households, this change in the federal regulations may help those seniors whose incomes are above the 200% of poverty threshold and therefore subject to asset limits.

Accrual of Benefits - Currently states can move benefits off-line after three months if they have not been accessed, and can expunge benefits that have not been accessed by the household after one year. Under the new law states must notify households if their benefits are moved off-line and make the benefits available within 48 hours upon the request of a household. Benefits will be expunged after 12 months if not accessed.

Codification of Access Rules - States will be required to comply with USDA rules requiring bilingual personnel and material in areas in which a substantial number of low-income household members speak a language other than English.

FoodSource Hotline 1-800-645-8333

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Please note:

► Question #11 asks about income. Always use the gross (before deductions for Medicare, taxes, etc.) monthly income. Social Security (SSA) income can be found in the annual SSA award letter. Bank statements often do not show the gross income and using those figures in the calculation may lead to an incorrect estimate of benefits.

► Although the application was developed for individuals and couples age 60 or older, disabled applicants should also feel free to use it.

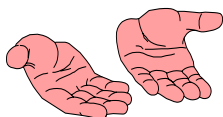
► The current version (7/2008) does not include a space to indicate the applicant's primary language. Applicants who need an interpreter can check the "Interpreter Required" box and write in their language beside the box.

Medical Expenses

DTA has a new, colorful brochure that highlights some of the expenses that qualify as medical deductions. For a copy of the brochure, call the FoodSource Hotline. Please note that transportation expenses are deductible and are determined by using the federal mileage rate which is \$.585 and is periodically adjusted for inflation.

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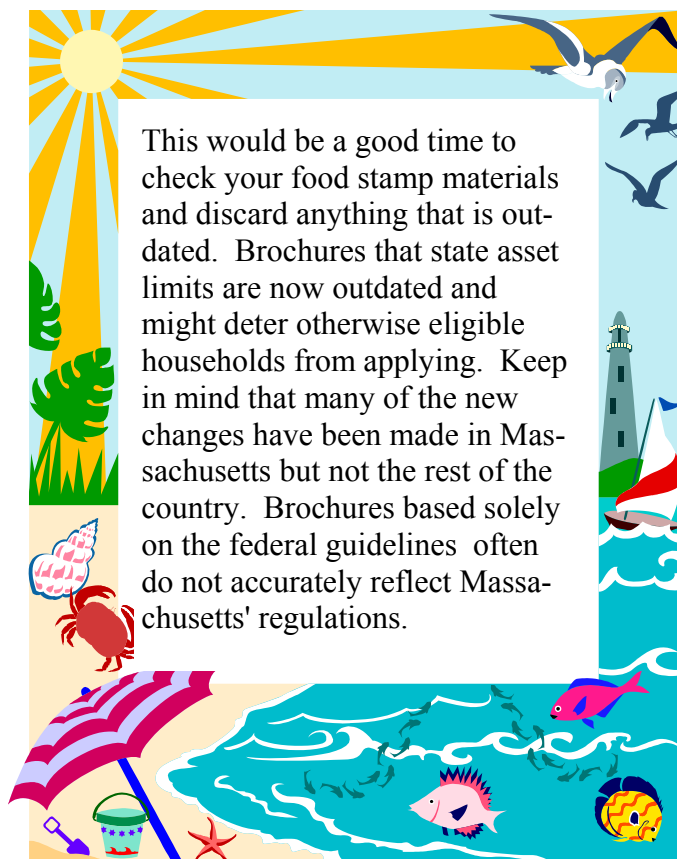
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Helping Hands
A publication of Project Bread's
FoodSource Hotline

**Questions about any of the items
in this newsletter? Call**

Project Bread 
FoodSource Hotline
1-800-645-8333



This would be a good time to check your food stamp materials and discard anything that is outdated. Brochures that state asset limits are now outdated and might deter otherwise eligible households from applying. Keep in mind that many of the new changes have been made in Massachusetts but not the rest of the country. Brochures based solely on the federal guidelines often do not accurately reflect Massachusetts' regulations.