MEPD and Texas Works Bulletin 20-03

Date: March 2, 2020

To: Eligibility Services Supervisors and Staff
Program Managers
Eligibility Services Supervisors
Regional Attorneys
Hearings Officers

From: Access and Eligibility Services Program Policy
State Office 2115

Subject: 1. Activity Fees as an Allowable Dependent Care Deduction
2. Action on Prisoner Matches
3. Excluding the Full Value of Prepaid Burial Insurance

The information in this bulletin will be included in a future handbook revision. Until the handbook is updated, staff must use the information in this bulletin. If you have any questions regarding the policy information in this bulletin, follow regional procedures.

Active bulletins are posted on the following websites:

- Texas Works Handbook (TWH) at http://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins;
1. Activity Fees as an Allowable Dependent Care Deduction

**Background**
The Food and Nutrition Service (FNS) issued final rules for the Supplemental Nutrition Assistance Program (SNAP) which implemented several provisions from the Food, Conservation and Energy Act of 2008 (2008 Farm Bill). These rules clarified activity fees as an allowable dependent care expense when determining SNAP eligibility. In addition, HHSC aligns SNAP and TANF policy where possible.

**Current Policy**
**SNAP and TANF**
Dependent care expenses are defined as the cost of unreimbursed payments when the person incurs an expense for the:

- care of a child or adult with disabilities; or
- transportation of a child or adult with disabilities to and/or from day care or school (TWH A-1423, Dependent Care Deduction).

HHSC does not currently include activity fees as a dependent care expense.

**New Policy**
**SNAP and TANF**
Dependent care expenses are defined as the cost of unreimbursed payments when the person incurs an expense for:

- the care of a child or adult with disabilities;
- the transportation of a child or adult with disabilities to and/or from day care or school; or
- activity fees.

An “activity fee” is an additional cost incurred by the household associated with a structured dependent care program such as art classes, field trips or equipment fees.

The activity fee does not have to be required to participate in the program but does need to be an explicitly defined cost. Examples of activity fees include a fee for an art class that is part of an adult day care program or an extra cost for participation in a field trip as part of a summer camp.

**Automation**
Automation changes are not required.
**Correspondence**
Correspondence changes are not required.

**Handbook**
The Texas Works Handbook is currently scheduled to be updated in the July 2020 revision.

Updates to the MEPD Handbook are not required.

**Training**
Training is not required.

**Effective Date**
This policy is effective for all case actions disposed on or after April 1, 2020.
2. **Action on Prisoner Matches**

**Background**
The Food and Nutrition Service (FNS) issued final rules for the Supplemental Nutrition Assistance Program (SNAP) which implemented several provisions from the Food, Conservation and Energy Act of 2008 (2008 Farm Bill). These new rules require HHSC to remove an incarcerated person from streamlined reporting households instead of denying benefits for the entire household when verification of living arrangements is not provided.

**Current Policy**

**SNAP**

Prisoner match information displayed in the Data Broker report is considered as a case clue at application, redetermination or change following current policy in TWH C-825.17, Inmate/Parolee Match. Prior to denying, reducing or terminating benefits, the prisoner match information must be addressed during the interview with the household. If the household agrees that the person on the prisoner match is not in the household, the incarcerated person is removed.

Form H1020, Request for Information or Action, is used to request verification of living arrangements if the household disagrees with the prisoner match information or the household cannot be reached when conducting a desk review.

If the household responds that the person is incarcerated, the person is removed from the household and the rest of the household continues to receive SNAP benefits if they continue to meet all other eligibility criteria.

If the household does not respond to the request for verification, the entire household is denied for failure to provide.

**New Policy**

**SNAP**

Prisoner match information displayed in the Data Broker report must be addressed with the household prior to denying, reducing or terminating benefits. If the household disputes the match or the household cannot be reached during a desk review, send Form H1020, Request for Information or Action, to request verification of household composition.

If the household reports that the person is incarcerated, remove the person from the household and retest eligibility for the rest of the household.

If the household does not respond to the request for verification:
● For Streamlined Reporting (SR) households, as defined in TWH A-2350, Streamlined Reporting Households, remove the incarcerated person from the household;
● For non-SR households, deny the household for failure to provide.

**Note:** Refer to policy in TWH B-636, Change in Head of Household, when the incarcerated person is the head of household.

**Automation**
Automation changes are not required.

**Correspondence**
Correspondence changes are not required.

**Handbook**
The Texas Works Handbook is currently scheduled to be updated in the July 2020 revision.

Updates to the MEPD Handbook are not required.

**Training**
Training is not required.

**Effective Date**
This policy is effective for all case actions disposed on or after April 1, 2020.
3. Excluding the Full Value of Prepaid Burial Insurance

Background
The Food and Nutrition Service (FNS) issued final rules for the Supplemental Nutrition Assistance Program (SNAP) which implemented several provisions from the Food, Conservation and Energy Act of 2008 (2008 Farm Bill). The new rules require HHSC to now exclude the full amount of funeral arrangements as a resource when determining SNAP eligibility. In addition, HHSC aligns SNAP and TANF policy where possible.

Current Policy
SNAP and TANF
Up to $7,500 cash value of a prepaid burial insurance policy, funeral plan or funeral agreement for each certified household member is exempt as a resource. The cash value exceeding $7,500 is counted as a liquid resource (TWH A-1233.2, Prepaid Burial Insurance).

New Policy
SNAP and TANF
The full value of a prepaid burial insurance policy, funeral plan or funeral agreement for each certified household member is exempt as a resource.

Automation
Changes to TIERS are currently scheduled to be implemented with TIERS Release 106.2 on March 28, 2020.

Correspondence
Correspondence changes are not required.

Handbook
The Texas Works Handbook is currently scheduled to be updated in the July 2020 revision.

Updates to the MEPD Handbook are not required.

Training
Training is not required.

Effective Date
This policy is effective with the implementation of TIERS Release 106.2 currently scheduled for March 28, 2020.