

Operations Memorandum - LIHEAP

OPS120202

February 9, 2012

SUBJECT: Changes in Child Support Income Exclusion for the Low-Income Home Energy Assistance Program (LIHEAP)
TO: Executive Directors
FROM: Richard Wallace, Acting Director, Bureau of Operations

PURPOSE

To announce changes to the Child Support Income Exclusion for LIHEAP, effective January 17, 2012.

BACKGROUND/DISCUSSION

Currently, for households who receive either child or spousal support, up to the first \$50 of voluntary support from each legally responsible relative (LRR) or court-ordered support that a household member actually receives in a given month is excluded as income for the household.

In order to simplify and align LIHEAP with other Department of Public Welfare programs, effective January 17, 2012, LIHEAP will follow the same child support income disregard policy as Temporary Assistance for Needy Families (TANF) and TANF-related Medical Assistance programs. For child support income codes 24 and 32, if there is one child in the household (individual under the age of 18 at the time of running eligibility, regardless of eligibility status), the **actual support received**, up to \$100 per month, will be excluded. If there is more than one child in the household, the **actual support received**, up to \$200 per month, will be excluded, whether it is received by only one child or by both children.

In addition, if there is someone in the household who is receiving spousal support (income code 26), the **actual support received**, up to \$50 per month, will be excluded.

If a household receives both child support and spousal support in a month, the system will choose whichever the greatest deduction is and apply it for that month. The household will **not** receive both a child support and spousal support deduction in the same month.

This change will make it easier for the County Assistance Office (CAO) to process support income. Currently, if two children are receiving child support income from the same court order or LRR, CAO staff has to combine the child support income and place it all under the oldest child for the system to exclude the child support income correctly. Now, CAO staff will enter the actual amount of child support received by each child for each month during the look-back period, and e-CIS will determine the correct amount of child support income that should be excluded based on the household composition and the amount of support income received.

Old Policy	New Policy
Up to the first \$50 of voluntary support from each LRR or court-ordered support that a household member actually receives in a given month is excluded.	<p>The LIHEAP income exclusion for each month of the look-back period is increased to:</p> <ul style="list-style-type: none"> actual up to \$100 of child support (income code 24 or 32) if there is one child in the family; or actual up to \$200 of child support (income code 24 or 32) if there are two or more children in the family. <p>For spousal support:</p> <ul style="list-style-type: none"> actual up to \$50 of spousal support (income code 26). <p>If the household receives both child support and spousal support in the same month, the system will determine which exclusion is greater and apply <u>only</u> that deduction.</p>

Old Procedures	New Procedures
<p>If there is one court order or voluntary support for one child, add that amount to the system for that child.</p>	<p>CAO staff will enter the actual amount of child support received by each child for each month of the look-back period.</p>
<p>If there is one court order or voluntary</p>	

support for multiple children, apply the full court order or voluntary support amount to the oldest child.	
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For all LIHEAP cases with support income, all children under age 18 (regardless of eligibility status) are counted as children in the LIHEAP household to determine the child support income exclusion limit.

Example A:

Household: An application for LIHEAP is received on December 1, 2011 with two household members, mom and child.

Income: The only household income is child support (code 24) of \$150 per month

Result: The system will exclude \$100 for each month of the look-back period.

Example B:

Household: An application for LIHEAP is received on December 1, 2011 with two household members, mom and child.

Income: The only household income is child support (code 24) of \$75 per month.

Result: The system will exclude \$75 for each month of the look-back period.

Example C:

Household: An application for LIHEAP is received on December 1, 2011 with two household members, mom and child

Income: The only household income is child support (code 24) of \$150 for September and October, but only \$75 was received in November.

Result: The system will exclude \$100 for September and October; for November it will exclude \$75.

Example D:

Household: An application for LHEAP is received on December 1, 2011 with three household members, mom and two children.

Income: The only household income is child support (code 24) of \$150 per month.

Result: The system will give a deduction of \$150 for each month of the look-back period.

Example E:

Household: An application for LHEAP is received on December 1, 2011 with three household members, mom and two children.

Income: The only household income is child support (code 24) of \$250 per month

Result: The system will give a deduction of \$200 for each month of the look-back period.

Under no circumstance may a household receive exclusions for both child support and spousal support in the same month.

EXAMPLE: A household receives child support for a child and spousal support. IF current spousal support is received in a month, but no child support is received that month, \$50 would be the maximum amount of the income exclusion. If spousal support and child support are received in a month, only one support can be excluded (whichever is greatest).

NEXT STEPS

1. Share this information with appropriate members of your staff.
2. Implement the policy and procedures in this Operations Memorandum effective January 17, 2012.
3. Policy handbooks will be updated to reflect this change.,
4. Contact your Area-Manager with any questions.