**Policy Clarification**

**Cash Assistance – All – PCA-20914-150**

**Medical Assistance – All – PMA-20914-350**

**Long-Term Care – All – PMN-20914-450**

**Food Stamps – All – PFS-20914-550**

**Submitted: 6/1/2022 Agency: CAOs**

**Subject: Treatment of Donation-Based Crowdfunding, Digital Wallets, Cryptocurrency, and Gift Cards**

**Question:** **How are donation-based crowdfunding, digital wallets, cryptocurrency, and gift cards treated for Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), and Medical Assistance (MA) benefits including Long-Term Care (LTC) and Home and Community-Based Services (HCBS)?**

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| **Response By: Policy Clarification Unit** |  **Date: 6/1/2022** |  |  |
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**Donation-Based Crowdfunding (Ex. GoFundMe)**

Money in crowdfunding accounts is not considered income or a resource until the funds are dispersed from the crowdfunding account to the beneficiary. Once the funds are dispersed and available to the individual, the County Assistance Office (CAO) would treat the funds according to the category of benefits received:

* For TANF, the income received would be treated as a gift following guidance in CAH 150.5 # 14.
* For SNAP, the income would be treated as a liquid resource in SNAP HB 540.31.
* For Non-Modified Adjusted Gross Income (MAGI) MA (including LTC and HCBS), the income will be considered gifts if these payments are infrequent and irregular. Non-recurring payments will be treated in accordance with lump sum policy in MAEH 357 for Supplemental Security Income (SSI), TANF and General Assistance (GA)-related MA and LTCH 457 for LTC and HCBS.
* For MAGI MA, the income will be treated as gifts and will be excluded.

**Digital Wallets (ex. Cash App, Venmo, PayPal)**

These are not bank accounts although they can be linked to a bank account. Digital wallet users can make a person-to-person payment or receive a payment and transfer money from their own bank account into their Cash App, Venmo, PayPal, or a similar account.  The money in digital wallets may be considered as a cash on hand resource. If the money was received as a contribution or a payment for a product/service, it would be considered income.  If the payment meets criteria for an allowable exclusion, it will be excluded from the eligibility determination.

(CAH 140.3,150.32; SNAPH 540.3, 550.3, MAEH 340.3, 350.6, LTCH 440.3, 450.3, 450.4)

**Cryptocurrency (ex. Bitcoin)**

Cryptocurrency the individual owns is a resource. The individual would need to provide written proof of the resource such as a statement or printout of the account.

A person can realize a gain or loss from selling cryptocurrency which will be considered income. These are typically reported through the financial services company (ex. Robinhood, Coinbase) via an Internal Revenue Service 1099 form.

If cryptocurrency is received for payment for goods or services, it is considered income using the fair market value in United States dollars as of the date payment is received.

**Gift Cards**

**SNAP/TANF/TANF-related MA/GA-related MA:** Establishment-specific gift cards are excluded as income and resource for eligibility determinations.

Credit card company gift cards (ex. Visa, MasterCard, American Express) are counted as a resource and should be considered as cash on hand. The verification of credit card company gift cards should follow the same verification guidelines as all other resources.

If credit card company gift cards are provided regularly and can be reasonably anticipated, they should be counted as income and verified through the provider of the card. If attempts to verify with the provider are unsuccessful and other sources of verification are unavailable, the CAO will determine an amount to use in the eligibility determination based on the best available information.

If the gift card meets criteria for an allowable exclusion, it will be excluded from an eligibility determination. For example, donations from a public or private entity in the form of a gift card may be excluded for certain programs.

**SSI related MA (including LTC/HCBS):** Gift cards must be reviewed on a case-by-case basis. Gift cards are countable income if they can be used to purchase food or shelter OR can be resold (presume it can be resold unless the card includes a statement that prohibits resale/transfer or for practicality reasons such as store where it can be redeemed does not sell food and clothes). An example of a gift card that may need to be counted would be a VISA gift card because it can be used like cash; it does not have restricted use and can be used to purchase food and shelter items.

If a gift card meets these criteria for countable income, the CAO should review whether it can be considered irregular or infrequent. To be considered irregular, the individual cannot reasonably expect to receive it.  To be considered infrequent it must not be received more than once during a calendar quarter from a single source and it was not received in the month immediately preceding the month of receipt or in the month immediately subsequent to that month (even if it is two different calendar quarters). If irregular or infrequent, the first $60 of this unearned income received in a calendar quarter is excluded. Any balance remaining after the month of receipt would be considered a countable resource.

**MAGI MA:** Gifts cards are excluded as income for MAGI MA eligibility determinations. There is no resource test for MAGI MA.