

Title of Proposed Rule: Updates to Broad Based Categorical Eligibility

CDHS Tracking #: 18-02-07-02

Office, Division, & Program: Rule Author:
OES, FEAD, Food Assistance Karen Dyke

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STATEMENT OF BASIS AND PURPOSE

Summary of the basis and purpose for new rule or rule change.

Explain why the rule or rule change is necessary and what the program hopes to accomplish through this rule.

Federal Supplemental Nutrition Assistance regulations allow states the option to expand the reach of categorical eligibility (simplified eligibility processes already afforded to recipients of certain means tested public assistance programs) to a broader client base. In 2010, Colorado chose to legislate this option and effectively reduced the burden of the resource test for a broader audience. Since then, further federal clarification has been received which necessitates updating the categorical eligibility model.

An emergency rule-making (which waives the initial Administrative Procedure Act noticing requirements) is necessary:

- to comply with state/federal law and/or
 to preserve public health, safety and welfare

Justification for emergency:

The current rules are not in compliance with federal law and must be updated immediately.

State Board Authority for Rule:

Code	Description
26-1-107, C.R.S. (2015)	State Board to promulgate rules
26-1-109, C.R.S. (2015)	State department rules to coordinate with federal programs
26-1-111, C.R.S. (2015)	State department to promulgate rules for public assistance and welfare activities.

Program Authority for Rule: *Give federal and/or state citations and a summary of the language authorizing the rule-making function AND authority.*

Code	Description
7 CFR 273.2(j)(2)	Outlines provisions for conferring categorical eligibility and state options to expand categorical eligibility to recipients of other TANF/MOE funded programs as determined by the state
7 CFR 273.9(a)	Outlines income eligibility standards
7 CFR 273.10(e)(1)	Outlines net income eligibility standards
7 CFR 273.8	Outlines resource eligibility standards
7 CFR 273.2(f)(1)	Refers to verification requirements to substantiate reported household circumstances
7 CFR 273.12(a)(5)	Refers to reporting requirements for certified households
7 CFR 273.12(c)	Refers to the agency's responsibility to act on reported changes

Does the rule incorporate material by reference?

Yes

No

Does this rule repeat language found in statute?

Yes

No

If yes, please explain.

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REGULATORY ANALYSIS

1. List of groups impacted by this rule.

Which groups of persons will benefit, bear the burdens or be adversely impacted by this rule?

SNAP applicants and recipients all stand to benefit from the restructuring of the broad based categorical eligibility (BBCE) model. Additional households may be able to access benefits and services previously out of reach as income thresholds will be adjusted to become inclusive of a larger body of households on the SES scale. Additionally, simplification of the BBCE model will also benefit eligibility staff responsible for administering the program and making eligibility determinations.

2. Describe the qualitative and quantitative impact.

How will this rule-making impact those groups listed above? How many people will be impacted? What are the short-term and long-term consequences of this rule?

The amendments to existing BBCE rules will be applicable to all SNAP applicants and participants. Anticipated short term impacts are the reduction of quality assurance errors resultant from a previously confusing policy and increased program access for eligible clients. Anticipated long term impacts are the stabilization of many "working poor" households who are prone to the cliff effect when small income fluctuations result in a temporary loss of public assistance benefits.

3. Fiscal Impact

*For each of the categories listed below explain the distribution of dollars; please identify the costs, revenues, matches or any changes in the distribution of funds even if such change has a total zero effect for any entity that falls within the category. If this rule-making requires one of the categories listed below to devote resources without receiving additional funding, please explain why the rule-making is required and what consultation has occurred with those who will need to devote resources. **Answer should NEVER be just "no impact" answer should include "no impact because...."***

State Fiscal Impact (Identify all state agencies with a fiscal impact, including any Colorado Benefits Management System (CBMS) change request costs required to implement this rule change)

The State is financing an enhancement project to the Colorado Benefits Management System using designated pool hours already allocated in the annual budget.

County Fiscal Impact

As a result of these changes to the current broad based categorical eligibility model, counties may experience a gradual caseload growth though this is not expected to surpass caseload sizes prior to the influx during the 2008/2009 recession. Current eligibility staffing is anticipated to be sufficient to handle the growth.

Federal Fiscal Impact

At this time there is no anticipated federal fiscal impact.

Other Fiscal Impact (such as providers, local governments, etc.)

There are no additionally anticipated fiscal impacts.

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4. Data Description

List and explain any data, such as studies, federal announcements, or questionnaires, which were relied upon when developing this rule?

5. Alternatives to this Rule-making

Describe any alternatives that were seriously considered. Are there any less costly or less intrusive ways to accomplish the purpose(s) of this rule? Explain why the program chose this rule-making rather than taking no action or using another alternative. Answer should NEVER be just "no alternative" answer should include "no alternative because..."

Because Colorado State Statute mandates the implementation of a broad based categorical eligibility model for Colorado's Food Assistance Program, amendments to State Food Assistance rules are needed to ensure the Program is correctly administered and interpreted by counties, courts, and other stakeholders.

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OVERVIEW OF PROPOSED RULE

Compare and/or contrast the content of the current regulation and the proposed change.

Rule section Number	Issue	Old Language	New Language or Response	Reason / Example / Best Practice	Public Comment No / Detail
4.206	Incorrect hierarchy for categorical eligibility, incorrect criteria	<p>4.206 CATEGORIES OF ELIGIBILITY</p> <p>A. Beginning with the benefit month of March 2011, expanded categorical eligibility rules shall be used to determine eligibility for Food Assistance benefits. During the application process, the local office shall determine if all members of the household making an application for Food Assistance are eligible under expanded categorical eligibility rules.</p> <p>Households that do not qualify under expanded categorical eligibility rules as outlined in Section 4.206, C, 1, a, shall have their eligibility determined using either basic categorical eligibility or standard eligibility Food Assistance rules.</p> <p>B. Food Assistance households that are applying for or receiving benefits from other assistance programs in addition to Food Assistance are still required to meet the resource limits and follow the reporting and verification requirements of the other program. Requests for information and verification to determine eligibility for other programs shall not affect or delay the determination of Food Assistance eligibility.</p> <p>C. Eligibility</p> <p>1. Expanded Categorical Eligibility (ECE)</p> <p>In order to be considered eligible for expanded categorical eligibility, households must receive a non-cash Temporary Assistance to Needy Families/Maintenance of Effort (TANF/MOE) funded service. Households shall receive information about a service that promotes TANF Purpose Four (4): "Encouraging the formation and maintenance of two parent families", through language provided on the</p>	<p>4.206 CATEGORIES OF ELIGIBILITY</p> <p>A. Households applying for Food Assistance must be determined eligible using one of the following categories of eligibility; Basic Categorical Eligibility (BCE), Expanded Categorical Eligibility (ECE) or Standard Eligibility (SE).</p> <p>B. Food Assistance households that are applying for or receiving benefits from other assistance programs in addition to Food Assistance are still required to meet the resource limits and follow the reporting and verification requirements of the other program. Requests for information and verification to determine eligibility for other programs shall not affect or delay the determination of Food Assistance eligibility.</p> <p>C. Eligibility</p> <p>1. Basic Categorical Eligibility (BCE)</p> <p>a. Basic categorically eligible households are:</p> <p>1) Households in which all members receive, or are authorized to receive, Supplemental Security Income (SSI) or benefits from the Colorado Works Program, Old Age Pension (OAP), Aid to the Needy Disabled (AND),</p>	<p>Broad Based Expanded Categorical Eligibility was incorrectly implemented in Colorado. In addition to correcting regulations to align with federal requirements regarding categorical eligibility, we are also seeking to expand the gross income threshold for expanded categorical eligibility criteria</p>	

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		<p>application, recertification application, the periodic report form, and/or the statement of facts. The inclusion of this language on such forms means that all applicant households are initially considered under expanded categorical eligibility rules unless ineligible for ECE as outlined in sub-point b, below.</p> <p>a. Households having their eligibility reviewed under expanded categorical eligibility rules must meet one of the following criteria:</p> <p>1) Households that include a member who is elderly or is a person with a disability must have a combined gross income amount at or below two hundred percent (200%) of the federal poverty level in order to be considered an expanded categorically eligible household. These households must have a net income amount at or below one hundred percent (100%) of the federal poverty level applicable to the household size, after appropriate deductions.</p> <p>2) Households that do not include a member who is elderly or a person with a disability must have a combined gross income amount at or below one hundred thirty percent (130%) of the federal poverty level in order to be considered an expanded categorically eligible household. These households must have a net income amount at or below one hundred percent (100%) of the federal poverty level applicable to the household size, after appropriate deductions.</p> <p>b. A household's eligibility cannot be determined using expanded categorical eligibility rules if, at the time of application:</p> <p>1) Any member is disqualified for an Intentional Program Violation;</p>	<p>Aid to the Blind (AB) or a combination of these benefits. The Colorado Works, SSI, OAP, and/or AB program(s) need only to authorize benefits for participants in order for the household to be considered for basic categorical eligibility. Individuals who are authorized to receive a benefit from one or more of these programs, but who are not paid such benefits because the grant is less than a minimum benefit or the benefits are suspended or are being recouped, are still considered eligible under basic categorical eligibility rules.</p> <p>Households not receiving, or authorized to receive, Temporary Assistance for Needy Families (TANF) Title IV-A or SSI benefits, who are entitled to Medicaid only, shall not be considered SSI or Title IV-A participants.</p> <p>2) A household in which at least one (1) member receives services from the Family Preservation Program. This determination must be documented in the case record.</p> <p>b. Households eligible under basic categorical eligibility have been deemed to have met the income and resource requirements of the program that confers eligibility; therefore, no further verification is required beyond that gathered by the program that confers eligibility. However, the agency must collect and verify eligibility factors</p>		

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		<p>2) Any member is disqualified for a fraud conviction, such as:</p> <p>a) The individual has been found by a federal, state, or local court to have used or received benefits in a transaction involving the sale of firearms, ammunition, or explosives; or,</p> <p>b) The individual has been convicted by federal, state, or local court of having trafficked benefits for an aggregate amount of five hundred dollars (\$500) or more.</p> <p>3) Any member is a fleeing felon or parole/probation violator as outlined in Section 4.304.4, B, C, and D;</p> <p>4) Any member has been convicted of a drug-related felony where Food Assistance benefits were used to purchase drugs;</p> <p>5) The household includes a member who is elderly or is a person with a disability and the combined gross income of the household exceeds two hundred percent (200%) of the federal poverty level applicable to the household size;</p> <p>6) The household includes a member who has an active family preservation case and the combined gross income exceeds one hundred thirty percent (130%) of the federal poverty level applicable to the household size.</p> <p>c. A household may still be eligible for expanded categorical eligibility if, at the time of application, it includes any of the following ineligible members:</p>	<p>in accordance with Sections 4.300 and 4.502 if these factors are not already collected and verified by the other program, are considered questionable, or are unavailable to the Food Assistance Program. This includes:</p> <p>1) Net income;</p> <p>2) Gross income;</p> <p>3) Resources;</p> <p>4) Residency;</p> <p>5) Social Security Number;</p> <p>6) Sponsored non-citizen information.</p> <p>c. A household cannot be considered under basic categorical eligibility rules if, at the time of application :</p> <p>1) Any member is disqualified for an Intentional Program Violation of the Food Assistance Program.</p> <p>2) Any member has been convicted of a drug-related felony where Food Assistance benefits were used to purchase drugs.</p> <p>d. Households that are ineligible for Food Assistance benefits under basic categorical eligibility rules shall have their eligibility determined under expanded or standard eligibility rules.</p>		

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		<p>1) An ineligible non-citizen;</p> <p>2) An ineligible student;</p> <p>3) A member who is ineligible due to failure to comply with an Employment First Program or workfare requirement as defined in Section 4.310.6.</p> <p>4) A member disqualified due to not providing his/her Social Security Number.</p> <p>d. All households found eligible under expanded categorical eligibility shall not be subject to a resource limit and shall not have their resources verified;</p> <p>e. To be eligible under expanded categorical eligibility, all households must meet the non-financial criteria set out in Section 4.300;</p> <p>f. Households that are ineligible for expanded categorical eligibility shall have eligibility considered under basic categorical eligibility (BCE) rules if the household meets one of the following criteria:</p> <p>1) The household contains a member who is elderly and/or is a person with a disability and the household's combined gross income exceeds two hundred percent (200%) of the Federal poverty level;</p> <p>2) The household includes a member who is elderly, and the spouse of such individual, living with others, who is unable to purchase and prepare meals, as described in Section 4.304, B, 4;</p> <p>3) The household contains a member who has an active family preservation</p>	<p>2. Expanded Categorical Eligibility (ECE)</p> <p>a. Expanded categorical eligibility households are:</p> <p>1) Households who have been authorized to receive a non-cash Temporary Assistance to Needy Families/Maintenance of Effort (TANF/MOE) funded service designed to further TANF Purpose Four (4) by "encouraging the formation and maintenance of two-parent families." Language regarding the non-cash TANF/MOE funded program shall be provided on the application, recertification application, periodic report form, and/or the statement of facts.</p> <p>2) Households with a combined gross income at or below two hundred percent (200%) of the federal poverty level.</p> <p>b. Households eligible under expanded categorical eligibility have been deemed to have met the income and resource requirements of the program that confers eligibility; therefore, no further verification is required beyond that gathered by the program that confers eligibility. However, the agency must collect and verify eligibility factors in accordance with sections 4.300 and 4.502 if these factors are not already collected and verified by the other program, are considered questionable, or are unavailable to the Food Assistance Program. This includes:</p>		

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		<p>case, and the household's combined gross income exceeds one hundred thirty percent (130%) of the federal poverty level;</p> <p>4) The household contains a member who is a fleeing felon or parole/probation violator.</p> <p>g. Households that contain a member who has an active intentional Program violation or fraud conviction shall only have eligibility determined under standard eligibility rules.</p> <p>h. Households that have a gross income exceeding one hundred thirty percent (130%) of the federal poverty level or net income exceeding one hundred percent (100%) federal poverty level will be denied under Food Assistance expanded categorical eligibility rules unless the household's eligibility can be further determined as per these regulations.</p> <p>2. Basic Categorical Eligibility (BCE)</p> <p>a. Basic categorically eligible households are:</p> <p>1) Households in which all members receive, or are authorized to receive, Supplemental Security Income (SSI) or benefits from the Colorado Works Program, Old Age Pension (OAP), Aid to the Needy Disabled (AND), Aid to the Blind (AB) or a combination of these benefits. The Colorado Works, SSI, OAP, and/or AB program(s) need only to authorize benefits for participants in order for the household to be considered for basic categorical eligibility. Individuals who are authorized to receive a benefit from one or more of these programs, but</p>	<p>1) Net income;</p> <p>2) Gross income;</p> <p>3) Resources;</p> <p>4) Residency;</p> <p>5) Social Security Number;</p> <p>6) Sponsored non-citizen information.</p> <p>c. A household's eligibility cannot be determined using expanded categorical eligibility rules if, at the time of application:</p> <p>1) Any member is disqualified for an Intentional Program Violation of the Food Assistance Program.</p> <p>2) Any member has been convicted of a drug-related felony where Food Assistance benefits were used to purchase drugs.</p> <p>d. Households that are ineligible for Food Assistance benefits under expanded categorical eligibility rules shall have their eligibility determined under standard eligibility rules.</p> <p>3. Standard Eligibility (SE)</p> <p>a. Standard eligibility rules shall only be applied to the following households:</p> <p>1) Households that include a member</p>		

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		<p>who are not paid such benefits because the grant is less than a minimum benefit or the benefits are suspended or are being recouped, are still considered eligible under basic categorical eligibility rules.</p> <p>Households not receiving, or authorized to receive, Temporary Assistance for Needy Families (TANF) Title IV-A or SSI benefits, who are entitled to Medicaid only, shall not be considered SSI or Title IV-A participants.</p> <p>2) A household in which at least one (1) member receives services from the Family Preservation Program. This determination must be documented in the case record.</p> <p>b. Households eligible under basic categorical eligibility have been deemed to have met the income and resource requirements of the program that confers eligibility; therefore, no further verification is required beyond that gathered by the program that confers eligibility. This includes:</p> <ul style="list-style-type: none"> 1) Net income 2) Gross income; 3) Resources; 4) Residency; 5) Social Security Number; 6) Sponsored non-citizen information. <p>c. A household cannot be considered under basic categorical eligibility rules if, at the time of</p>	<p>who is serving a disqualification for an IPV or a fraud conviction.</p> <p>2) Households that include a member who has been convicted of a drug-related felony where Food Assistance benefits were used to purchase drugs.</p> <p>3) Households that do not meet the criteria to be considered under basic or expanded categorical eligibility rules.</p> <p>b. Households having their eligibility reviewed under standard eligibility rules must meet the following criteria:</p> <ul style="list-style-type: none"> 1) Households that include a member who is elderly or a person with a disability as defined in Section 4.304.41, C must have a combined net income, after all applicable deductions, at or below one hundred percent (100%) of the federal poverty level. The household must also have resources below the limit prescribed in Section 4.408. 2) Households that do not include a member who is elderly or a person with a disability as defined in Section 4.304.41, C must have a combined gross income at or below one hundred thirty percent (130%) of the federal poverty level. After all applicable deductions, the household's net income must be at or below one hundred percent (100%) of the federal poverty level. The household must have resources below the limit prescribed in Section 4.408. 3) Households must also meet 		

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		<p>application:</p> <p>1) Any member is disqualified for an Intentional Program Violation of the Food Assistance Program.</p> <p>2) Any member is disqualified for a fraud conviction such as:</p> <p style="padding-left: 40px;">a) The individual has been found by federal, state, or local court to have used or received benefits in a transaction involving the sale of firearms, ammunition, or explosives; or,</p> <p style="padding-left: 40px;">b) The individual has been convicted by federal, state, or local court of having trafficked benefits for an aggregate amount of five hundred dollars (\$500) or more.</p> <p>3) The head of household is disqualified for failure to comply with an Employment First Program or workfare requirement as defined in Section 4.310.6.</p> <p>4) The household is ineligible due to one (1) member being a striker as determined by the provisions outlined in Section 4.307.</p> <p>5) Any member of the household knowingly transferred resources for the purpose of qualifying or attempting to qualify for the Program.</p> <p>d. A household may still be eligible for basic categorical eligibility if, at the time of application, it contains any of the following ineligible members:</p>	<p>nonfinancial eligibility criteria set out in Section 4.300.</p> <p>c. Households, as defined in Section 4.304, that are found ineligible under standard eligibility rules shall be considered ineligible for participation in the Food Assistance Program.</p> <p>D. If the circumstances which allowed the household to meet the criteria to be considered under basic or expanded categorical rules change during the certification period or at the time of recertification or periodic report, the household's eligibility must be re-evaluated according to the appropriate category. If there is insufficient documentation to make an eligibility determination based on the new category of eligibility, the agency shall send the household a request for verification in accordance with Sections 4.604, Action on Reported Changes, and 4.604.1, Verification of Reported Changes.</p>		

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		<p>1) An ineligible non-citizen;</p> <p>2) An ineligible student;</p> <p>3) A fleeing felon or parole/probation violator as outlined in Section 4.304.4, B, C, and D.</p> <p>e. Households that are ineligible for Food Assistance benefits under basic categorical eligibility rules shall have eligibility determined under standard eligibility rules.</p> <p>3. Standard Eligibility</p> <p>a. Standard eligibility rules shall only be applied to the following households:</p> <p>1) Households that include a member who is serving a disqualification for an IPV or a fraud conviction.</p> <p>2) Households found ineligible under expanded and basic categorical eligibility rules that include a member who is elderly or a person with a disability in which the gross income of the household exceeds two hundred percent (200%) of the federal poverty level</p> <p>3) Households determined ineligible under basic categorical eligibility rules that include a member who is a fleeing felon or a parole/probation violator as outlined in Section 4.304.4, B, C, and D.</p> <p>b. Households having their eligibility reviewed under standard eligibility rules must meet one of the following criteria:</p>			

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		<p>1) Households that include a member who is elderly or a person with a disability must have a net income level at or below one hundred percent (100%) of the federal poverty level after all applicable deductions. The household must have resources below the limit prescribed in Section 4.408.</p> <p>2) Households that do not include a member who is elderly or a person with a disability must have a combined gross income at or below one hundred thirty percent (130%) of the federal poverty level. After all applicable deductions, the net income level must be at or below one hundred percent (100%) of the federal poverty level. The household must have resources below the limit prescribed in Section 4.408.</p> <p>c. To be eligible under standard eligibility rules, households must meet the nonfinancial criteria set out in Section 4.300.</p> <p>d. Households, as defined in Section 4.304, that are found ineligible under standard eligibility rules shall be ineligible for the Food Assistance Program.</p>			
4.400	Removing confusing language regarding BCE/ECE households not having financial criteria	<p>4.400 FINANCIAL ELIGIBILITY CRITERIA</p> <p>Financial criteria for eligibility shall apply to all households, except for those eligible under basic categorical eligibility, in regards to net and gross income tests. Income shall be considered prospectively for the issuance month based on the eligibility worker's determination of the household's reasonably anticipated monthly income, and for households eligible under standard eligibility as outlined in Section 4.206 the value of its resources is considered.</p>	<p>4.400 FINANCIAL ELIGIBILITY CRITERIA</p> <p>Income shall be considered prospectively for the issuance month based on the eligibility worker's determination of the household's reasonably anticipated monthly income, and for households eligible under standard eligibility as outlined in Section 4.206, the value of its resources is considered.</p>	<p>Certain income thresholds and tests may not be applicable to BCE/ECE households, but the types of income considered and the policy regarding anticipating</p>	

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				income still applies.	
4.401.1	Removing incorrect references to ECE gross income thresholds	<p>4.401.1 Gross Income Eligibility Determination</p> <p>A household, except those eligible under basic categorical eligibility, that does not include a member who is elderly or a person with a disability, as defined in Section 4.304.41, may be eligible if its monthly nonexempt earned and unearned income does not exceed the gross income level. Except for households that are eligible under basic categorical eligibility, households without person who is elderly and/or a person with a disability shall be ineligible for Food Assistance if its monthly income, after deducting any legally obligated child support payments and no other deductions, exceeds the gross income level. In such cases, there is no computation to consider deductions. Instead, a Notice of Action form is completed to deny the household.</p> <p>A. The gross income level for households that do not include a member who is elderly and/or a person with a disability is one hundred thirty percent (130%) of the federal poverty level.</p> <p>B. The gross income level for households eligible under expanded categorical eligibility that include a member who is elderly or a person with a disability is two hundred percent (200%) of the federal poverty level. If the household exceeds 200% of the federal poverty level, the household shall be reviewed under basic categorical eligibility rules and/or standard eligibility rules as outlined in Section 4.206. If the household is eligible under standard eligibility rules, the household shall only be subject to the net income level of one hundred percent (100%) of the federal poverty level.</p>	<p>4.401.1 Gross Income Eligibility Determination</p> <p>A household evaluated under standard eligibility rules, may be eligible if its monthly nonexempt earned and unearned income does not exceed the gross income level. If after deducting any legally obligated child support payments and no other deductions, the household exceeds the gross income level, there are no further computations required to consider the household's net income level. Instead, a Notice of Action form is completed to deny the household.</p> <p>A. The gross income level for households eligible under standard eligibility rules that do not include a member who is elderly and/or a person with a disability is one hundred thirty percent (130%) of the federal poverty level.</p>	<p>Previously, two income thresholds were applied to households eligible under ECE rules. Although part of ECE criteria involves an income threshold to receive services from the TANF/MOE program, there is no formal gross test applied. Only standard eligibility households can be denied based on gross and net income tests.</p>	
4.401.2	Removing incorrect references to ECE net	<p>4.401.2 Net Income Eligibility Determination</p> <p>A. All households, except those who are eligible under basic categorical eligibility, whose income</p>	<p>4.401.2 Net Income Eligibility Determination</p> <p>A. Households evaluated under standard eligibility rules whose income does not exceed</p>	<p>The net income "test" is only applicable to households</p>	

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	income thresholds	<p>does not exceed the gross income level as outlined in this section shall have their eligibility for benefits computed allowing the earned income, standard, dependent care, medical, and shelter deductions, as appropriate. The household shall be eligible only if its monthly gross income, less the allowable Food Assistance deductions, is below the maximum net eligibility level for their household size. A household that exceeds the net eligibility level must be denied, except for households eligible under basic categorical eligibility rules.</p> <p>B. A household that is ineligible for either expanded or basic categorical eligibility shall be eligible for Food Assistance benefits if its monthly nonexempt earned and unearned income, less all applicable deductions, including the earned income, standard, medical, dependent care, and unlimited excess shelter deduction, does not exceed the maximum net income level.</p>	<p>the gross income level as outlined in this section shall have their eligibility for benefits computed allowing the earned income, standard, dependent care, medical, and shelter deductions, as appropriate. The household shall be eligible only if its monthly gross income, less the allowable Food Assistance deductions, is below the maximum net eligibility level for their household size. A standard eligibility household that exceeds the net eligibility level must be denied.</p> <p>B. A standard eligibility household shall be eligible for Food Assistance benefits if its monthly nonexempt earned and unearned income, less all applicable deductions, including the earned income, standard, medical, dependent care, and unlimited excess shelter deduction, does not exceed the maximum net income level.</p>	considered under standard categorical eligibility rules.	
4.408	Adding reference to ECE	<p>4.408 RESOURCE ELIGIBILITY STANDARDS</p> <p>A. The local office shall consider households eligible under basic categorical eligibility as outlined in Section 4.206 to have satisfied the resource eligibility criteria of this section. For households eligible under either basic or expanded categorical eligibility, the case shall be documented to show that all household members have been approved for and/or are receiving benefits from the program that confers basic categorical eligibility.</p>	<p>4.408 RESOURCE ELIGIBILITY STANDARDS</p> <p>A. The local office shall consider households eligible under either expanded or basic categorical eligibility as outlined in Section 4.206 to have satisfied the resource eligibility criteria of this section. For households eligible under either basic or expanded categorical eligibility, the case shall be documented to show that all household members have been approved for and/or are receiving benefits from the program that confers basic categorical eligibility.</p>	Households eligible under expanded categorical eligibility rules do not have a resource test imposed.	
4.502	Adding clarification about when it is appropriate to request verification for	<p>4.502 VERIFICATION REQUIREMENTS AT APPLICATION, REDETERMINATION, AND PERIODIC REPORT</p> <p>A. Verification Requirements at Application</p>	<p>4.502 VERIFICATION REQUIREMENTS AT APPLICATION, REDETERMINATION, AND PERIODIC REPORT</p> <p>A. Verification Requirements at Application</p>	Households deemed categorically eligible have already had most of their SNAP	

Title of Proposed Rule: Updates to Broad Based Categorical Eligibility

CDHS Tracking #: 18-02-07-02

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Rule section Number	Issue	Old Language	New Language or Response	Reason / Example / Best Practice	Public Comment No / Detail
	categorically eligible households	<p>1. Expedited Service Requirements</p> <p>Only verification of the identity of the applicant is required. When an authorized representative applies on behalf of a household, the identity of both the authorized representative and the head of household shall be verified. No requirement for a specific document may be imposed. Client declaration of Social Security Number(s) and residency shall be accepted.</p> <p>Client declaration of other household circumstances shall be accepted when determining eligibility for expedited service, and verification of any client-declared information shall be postponed in accordance with Section 4.205.11, B, and verified prior to certification as outlined below. See also Section 4.205.1</p> <p>2. The following information shall be verified prior to certification:</p> <p>a. Identity of the applicant;</p> <p>b. Household's gross nonexempt income;</p> <p>c. Information available through IEVS, including Social Security Numbers (SSNs) for all household members;</p> <p>d. Non-citizen status of persons identified as non-citizens on the application;</p> <p>e. Residency, except for</p>	<p>1. Expedited Service Requirements</p> <p>Only verification of the identity of the applicant is required. When an authorized representative applies on behalf of a household, the identity of both the authorized representative and the head of household shall be verified. No requirement for a specific document may be imposed. Client declaration of Social Security Number(s) and residency shall be accepted.</p> <p>Client declaration of other household circumstances shall be accepted when determining eligibility for expedited service, and verification of any client-declared information shall be postponed in accordance with Section 4.205.11, B, and verified prior to certification as outlined below. See also Section 4.205.1</p> <p>2. The following information shall be verified prior to certification:</p> <p>a. Identity of the applicant;</p> <p>b. Household's gross nonexempt income;</p> <p>c. Information available through IEVS, including Social Security Numbers (SSNs) for all household members;</p> <p>d. Non-citizen status of persons identified as non-citizens on the application;</p>	<p>eligibility factors verified by the means-tested program that conferred their categorical eligibility. Factors not already verified or available to the local office must still be verified before SNAP benefits can be approved.</p>	

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		<p>homeless households, or households newly arrived in the state or county for whom third-party verification cannot reasonably be obtained.</p> <p>3. The household shall be given a reasonable opportunity to submit verification of certain expenses in order to receive expense deductions. If a deductible expense must be verified and obtaining verification may delay the household's certification, the local office shall advise the household that the household's eligibility and benefit level will be determined without providing a deduction for the claimed but unverified expense. If the expense cannot be verified within thirty (30) calendar days of the date of application, the local office shall determine the household's eligibility and benefit level without providing a deduction for the unverified expense.</p> <p>a. Allowable medical expenses less reimbursement;</p> <p>b. Legally-obligated child support payments;</p> <p>c. Dependent care expenses; and,</p> <p>4. For households eligible under basic categorical eligibility, verification is not required for resources, gross and net income limits, SSN information, sponsored non-citizen information, and residency beyond that gathered by the public assistance program that confers</p>	<p>e. Residency, except for homeless households, or households newly arrived in the state or county for whom third-party verification cannot reasonably be obtained.</p> <p>3. The household shall be given a reasonable opportunity to submit verification of certain expenses in order to receive expense deductions. If a deductible expense must be verified and obtaining verification may delay the household's certification, the local office shall advise the household that the household's eligibility and benefit level will be determined without providing a deduction for the claimed but unverified expense. If the expense cannot be verified within thirty (30) calendar days of the date of application, the local office shall determine the household's eligibility and benefit level without providing a deduction for the unverified expense.</p> <p>a. Allowable medical expenses less reimbursement;</p> <p>b. Legally-obligated child support payments;</p> <p>c. Dependent care expenses; and,</p> <p>4. For households eligible under basic or expanded categorical eligibility</p>		

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		<p>eligibility. For those households whose eligibility can be determined under basic categorical eligibility rules, The local office shall verify that each member receives benefits or services from the program that confers basic categorical eligibility.</p> <p>5. For households subject to an asset test, the household's written declaration of resources in excess of the resource limit is an acceptable form of verification.</p>	<p>rules, verification of resources, gross and net income, SSN information, sponsored non-citizen information, and residency beyond that gathered by the public assistance program that confers eligibility shall not be required unless these eligibility factors are not already collected and verified by the other program, are considered questionable, or are unavailable to the Food Assistance Program. The local office shall verify that each member receives benefits or services from the program that confers basic or expanded categorical eligibility.</p> <p>5. For households subject to an asset test, the household's written declaration of resources in excess of the resource limit is an acceptable form of verification.</p>		
4.603(B)(3) & (4)	Adding clarification about reporting obligations for households who have no gross income thresholds	<p>3. Households eligible to be certified with a gross income level of up to two hundred percent (200%) of the federal poverty level, as applicable to the household size, who are certified with income above one hundred thirty percent (130%) FPL shall not be required to report increases in the household's combined gross income during the certification period. See Section 4.604 for clarification on how to act in situations when a household reports this information.</p> <p>4. Households eligible to be certified with a gross income level of up to two hundred percent (200%) of the FPL, as applicable to the household size, who</p>	<p>3. Households who have no gross income threshold or who are eligible to be certified with a gross income level of up to two hundred percent (200%) of the federal poverty level, as applicable to the household size, who are initially certified with income above one hundred thirty percent (130%) FPL shall not be required to report increases in the household's combined gross income during the certification period. See Section 4.604 for clarification on how to act in situations when a household reports this information.</p> <p>4. Households who have no gross income threshold or who are eligible</p>	BCE and elderly/disabled SE households do not have gross income thresholds. Clarification is needed that if these households are initially certified below the federal threshold of 130% FPL, they must report if they later exceed it. If they are initially approved above this line, there are	

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		<p>are certified with income below 130% FPL are required to report when the household's combined gross income exceeds one hundred thirty percent (130%) FPL applicable to the household size. After the household reports its first increase in income above one hundred thirty percent (130%) FPL, the household shall not be required to report further increases in the household's combined gross income for the remainder of the certification period. □</p>	<p>to be certified with a gross income level of up to two hundred percent (200%) of the FPL, as applicable to the household size, who are initially certified with income below 130% FPL are required to report when the household's combined gross income exceeds one hundred thirty percent (130%) FPL applicable to the household size. After the household reports its first increase in income above one hundred thirty percent (130%) FPL, the household shall not be required to report further increases in the household's combined gross income for the remainder of the certification period.</p>	<p>no further reporting obligations during the certification.</p>	
4.603 (C)	<p>Removed section pertaining to non-simplified reporting households.</p>	<p>C. Additional Requirements for Non-Simplified Reporting Households Non-simplified reporting households are those households that are certified for three (3) months in accordance with Section 4.208.</p> <ol style="list-style-type: none"> 1. Non-simplified reporting households shall be required to: 2. Report and verify changes of more than fifty dollars (\$50) in the amount of the household's gross monthly unearned income and more than one hundred dollars (\$100) in the household's gross monthly earned income; and, 3. Report and verify changes in the source of income, including loss of or quitting a job, or changing jobs if the change in employment is accompanied by a change in income; and, 3. Report all changes in household composition, such as the addition or 	<p>Section removed</p>	<p>As of 2016, all SNAP households in Colorado are considered simplified reporting households. This section is outdated.</p>	

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		<p>loss of a household member, and verify if questionable; and,</p> <p>4. Report and verify changes in residence and the resulting change in shelter costs; and,</p> <p>5. Report and verify changes in the legal obligation to pay child support and changes in the amount legally obligated to be paid; and,</p> <p>6. Changes which are required to be reported in accordance with the provisions of this section, which occur after the interview, but before the date of the notice of eligibility, shall be reported by the household within ten (10) calendar days of the date the notice was issued, and the change shall be processed in accordance with Section 4.603.</p>			
4.604 (D) (8)	Added language to clarify expectations for households that do not have a gross income test imposed, clarified notice of match procedures.	<p>8. A household eligible to be certified with a gross income level up to two hundred percent (200%) FPL as applicable to the household size, which is certified with income below one hundred thirty percent (130%) FPL has a change in income that causes the household's combined gross monthly income during the certification period to exceed one hundred thirty percent (130%) FPL. Refer to Section 4.401.1 for a description of households that are eligible to be certified with a gross income level up to two hundred percent (200%) FPL.</p>	<p>8. A household who has no gross income threshold or who is eligible to be certified with a gross income level up to two hundred percent (200%) FPL as applicable to the household size, which is initially certified with income below one hundred thirty percent (130%) FPL has a change in income that causes the household's combined gross monthly income during the certification period to exceed one hundred thirty percent (130%) FPL. Refer to Section 4.401.1 for a description of households that are eligible to be certified with a gross income level up to two hundred percent (200%) FPL.</p> <p>9. The agency has received information from the prisoner verification system</p>	BCE and elderly/disabled SE households do not have gross income thresholds. Clarification is needed that if these households are initially certified below the federal threshold of 130% FPL, they must report if they later exceed it. If they are initially approved above this line, there are no further	

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			<p>or the deceased matching system that a household member is no longer residing in the home and the household has failed to respond to the notice of match, provided insufficient evidence to the contrary, or has confirmed the match in accordance with section 4.604.1,B.</p>	<p>reporting obligations during the certification. Also added a 9th requirement for computer match verification.</p>	
4.604 (F)	<p>Added language regarding mid-certification changes in categorical eligibility, re-ordered remaining items in the section following the addition of new subsection F.</p>		<p>F. Changes In Categorical Eligibility</p> <p>When a household reports a change during the certification period that results in it no longer meeting the criteria of the categorical eligibility tier it was originally certified under per Section 4.206, the household's eligibility must be re-evaluated using the next appropriate category. If the reported change has not been verified, or is considered questionable, and it cannot be determined whether basic categorical eligibility, expanded categorical eligibility, or standard eligibility criteria should be used, a request for verification shall be initiated per Section 4.604.1, Verification of Reported Changes.</p>	<p>Households may report a change in the middle of the certification period that result in a change to the tier of categorical eligibility they may be evaluated under. If the result of the reported change is unclear or unverified, a request for contact must be made to solicit further verification.</p>	

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STAKEHOLDER COMMENT SUMMARY

Development

The following individuals and/or entities were included in the development of these proposed rules (such as other Program Areas, Legislative Liaison, and Sub-PAC):

Office of Economic Security (OES) sub-PAC
Colorado Department of Human Services (CDHS) Employment and Benefits Division
CDHS Office of Performance and Strategic Outcomes
CDHS Office of Appeals

This Rule-Making Package

The following individuals and/or entities were contacted and informed that this rule-making was proposed for consideration by the State Board of Human Services:

Office of Economic Security (OES) sub-PAC
Colorado Department of Human Services (CDHS) Employment and Benefits Division
CDHS Office of Performance and Strategic Outcomes
CDHS Office of Appeals
Colorado Center on Law and Policy
Colorado Legal Services
Colorado Cross-Disability Coalition
Colorado Coalition for the Homeless
Hunger Free Colorado
Care and Share Food Bank for Southern Colorado
Benefit Data Trust
Weld Food Bank

Other State Agencies

Are other State Agencies (such as HCPF or CDPHE) impacted by these rules? If so, have they been contacted and provided input on the proposed rules?

Yes No

If yes, who was contacted and what was their input?

PAC

Have these rules been approved by PAC?

Yes No

Date presented 3/8/18

What issues were raised?

Vote Count

<i>For</i>	<i>Against</i>	<i>Abstain</i>
Unanimous		

If not presented, explain why.

Other Comments

Comments were received from stakeholders on the proposed rules:

Yes No

(10 CCR 2506-1)

4.206 CATEGORIES OF ELIGIBILITY

- A. HOUSEHOLDS APPLYING FOR FOOD ASSISTANCE MUST BE DETERMINED ELIGIBLE USING ONE OF THE FOLLOWING CATEGORIES OF ELIGIBILITY: BASIC CATEGORICAL ELIGIBILITY (BCE), EXPANDED CATEGORICAL ELIGIBILITY (ECE) OR STANDARD ELIGIBILITY

~~Beginning with the benefit month of March 2011, expanded categorical eligibility rules shall be used to determine eligibility for Food Assistance benefits. During the application process, the local office shall determine if all members of the household making an application for Food Assistance are eligible under expanded categorical eligibility rules. Households that do not qualify under expanded categorical eligibility rules as outlined in Section 4.206, C, 1-2, a, shall have their eligibility determined using either basic categorical eligibility or standard eligibility Food Assistance rules.~~

- ~~B. Food Assistance households that are applying for or receiving benefits from other assistance programs in addition to Food Assistance are still required to meet the resource limits and follow the reporting and verification requirements of the other program. Requests for information and verification to determine eligibility for other programs shall not affect or delay the determination of Food Assistance eligibility.~~

GB. Eligibility

1. ~~Expanded Categorical Eligibility (ECE)~~

~~In order to be considered eligible for expanded categorical eligibility, households must receive a non-cash Temporary Assistance to Needy Families/Maintenance of Effort (TANF/MOE) funded service. Households shall receive information about a service that promotes TANF Purpose Four (4): "Encouraging the formation and maintenance of two parent families", through language provided on the application, recertification application, the periodic report form, and/or the statement of facts. The inclusion of this language on such forms means that all applicant households are initially considered under expanded categorical eligibility rules unless ineligible for ECE as outlined in sub-point b, below.~~

- ~~a. Households having their eligibility reviewed under expanded categorical eligibility rules must meet one of the following criteria:~~

- ~~1) Households that include a member who is elderly or is a person with a disability must have a combined gross income amount at or below two hundred percent (200%) of the federal poverty level in order to be considered an expanded categorically eligible household. These households must have a net income amount at or below one hundred percent (100%) of the federal poverty level applicable to the household size, after appropriate deductions.~~
- ~~2) Households that do not include a member who is elderly or a person with a disability must have a combined gross income amount at or below one hundred thirty percent (130%) of the federal poverty level in order to be considered an expanded categorically eligible household. These households must have a net income amount at or below one hundred percent (100%) of the federal poverty level applicable to the household size, after appropriate deductions.~~

- ~~b. A household's eligibility cannot be determined using expanded categorical eligibility rules if, at the time of application:~~

- ~~1) Any member is disqualified for an Intentional Program Violation;~~

- 2) ~~Any member is disqualified for a fraud conviction, such as:
 - a) ~~The individual has been found by a federal, state, or local court to have used or received benefits in a transaction involving the sale of firearms, ammunition, or explosives; or,~~
 - b) ~~The individual has been convicted by federal, state, or local court of having trafficked benefits for an aggregate amount of five hundred dollars (\$500) or more.~~~~
- 3) ~~Any member is a fleeing felon or parole/probation violator as outlined in Section 4.304.4, B, C, and D;~~
- 4) ~~Any member has been convicted of a drug-related felony where Food Assistance benefits were used to purchase drugs;~~
- 5) ~~The household includes a member who is elderly or is a person with a disability and the combined gross income of the household exceeds two hundred percent (200%) of the federal poverty level applicable to the household size;~~
- 6) ~~The household includes a member who has an active family preservation case and the combined gross income exceeds one hundred thirty percent (130%) of the federal poverty level applicable to the household size.~~

c. ~~A household may still be eligible for expanded categorical eligibility if, at the time of application, it includes any of the following ineligible members:~~

- 1) ~~An ineligible non-citizen;~~
- 2) ~~An ineligible student;~~
- 3) ~~A member who is ineligible due to failure to comply with an Employment First Program or workfare requirement as defined in Section 4.310.6.~~
- 4) ~~A member disqualified due to not providing his/her Social Security Number.~~

d. ~~All households found eligible under expanded categorical eligibility shall not be subject to a resource limit and shall not have their resources verified;~~

e. ~~To be eligible under expanded categorical eligibility, all households must meet the non-financial criteria set out in Section 4.300;~~

f. ~~Households that are ineligible for expanded categorical eligibility shall have eligibility considered under basic categorical eligibility (BCE) rules if the household meets one of the following criteria:~~

- 1) ~~The household contains a member who is elderly and/or is a person with a disability and the household's combined gross income exceeds two hundred percent (200%) of the Federal poverty level;~~
- 2) ~~The household includes a member who is elderly, and the spouse of such individual, living with others, who is unable to purchase and prepare meals, as described in Section 4.304, B, 4;~~

~~3) The household contains a member who has an active family preservation case, and the household's combined gross income exceeds one hundred thirty percent (130%) of the federal poverty level;~~

~~4) The household contains a member who is a fleeing felon or parole/probation violator.~~

~~g. Households that contain a member who has an active intentional Program violation or fraud conviction shall only have eligibility determined under standard eligibility rules.~~

~~h. Households that have a gross income exceeding one hundred thirty percent (130%) of the federal poverty level or net income exceeding one hundred percent (100%) federal poverty level will be denied under Food Assistance expanded categorical eligibility rules unless the household's eligibility can be further determined as per these regulations.~~

~~2.1. Basic Categorical Eligibility (BCE)~~

~~a. Basic categorically eligible households are:~~

~~1) Households in which all members receive, or are authorized to receive, Supplemental Security Income (SSI) or benefits from the Colorado Works Program, Old Age Pension (OAP), Aid to the Needy Disabled (AND), Aid to the Blind (AB) or a combination of these benefits. The Colorado Works, SSI, OAP, and/or AB program(s) need only to authorize benefits for participants in order for the household to be considered for basic categorical eligibility. Individuals who are authorized to receive a benefit from one or more of these programs, but who are not paid such benefits because the grant is less than a minimum benefit or the benefits are suspended or are being recouped, are still considered eligible under basic categorical eligibility rules.~~

~~Households not receiving, or authorized to receive, Temporary Assistance for Needy Families (TANF) Title IV-A or SSI benefits, who are entitled to Medicaid only, shall not be considered SSI or Title IV-A participants.~~

~~2) A household in which at least one (1) member receives services from the Family Preservation Program. This determination must be documented in the case record.~~

~~b. Households eligible under basic categorical eligibility have been deemed to have met the income and resource requirements of the program that confers eligibility; therefore, no further verification is required beyond that gathered by the program that confers eligibility. HOWEVER, THE AGENCY MUST COLLECT AND VERIFY ELIGIBILITY FACTORS IN ACCORDANCE WITH SECTIONS 4.300 AND 4.502 IF THESE FACTORS ARE NOT ALREADY COLLECTED AND VERIFIED BY THE OTHER PROGRAM, ARE CONSIDERED QUESTIONABLE, OR ARE UNAVAILABLE TO THE FOOD ASSISTANCE PROGRAM. This includes:~~

~~1) Net income;~~

~~2) Gross income;~~

~~3) Resources;~~

- 4) Residency;
 - 5) Social Security Number;
 - 6) Sponsored non-citizen information.
- c. A household cannot be considered under basic categorical eligibility rules if, at the time of application:
- 1) Any member is disqualified for an Intentional Program Violation of the Food Assistance Program.
 - 2) ANY MEMBER HAS BEEN CONVICTED OF A DRUG-RELATED FELONY WHERE FOOD ASSISTANCE BENEFITS WERE USED TO PURCHASE DRUGS.
 - ~~2) Any member is disqualified for a fraud conviction such as:~~
 - ~~a) The individual has been found by federal, state, or local court to have used or received benefits in a transaction involving the sale of firearms, ammunition, or explosives; or,~~
 - ~~b) The individual has been convicted by federal, state, or local court of having trafficked benefits for an aggregate amount of five hundred dollars (\$500) or more.~~
 - ~~3) The head of household is disqualified for failure to comply with an Employment First Program or workfare requirement as defined in Section 4.310.6.~~
 - ~~4) The household is ineligible due to one (1) member being a striker as determined by the provisions outlined in Section 4.307.~~
 - ~~5) Any member of the household knowingly transferred resources for the purpose of qualifying or attempting to qualify for the Program.~~
- ~~d. A household may still be eligible for basic categorical eligibility if, at the time of application, it contains any of the following ineligible members:~~
- ~~1) An ineligible non-citizen;~~
 - ~~2) An ineligible student;~~
 - ~~3) A fleeing felon or parole/probation violator as outlined in Section 4.304.4, B, C, and D.~~
- e. D. Households that are ineligible for Food Assistance benefits under basic categorical eligibility rules shall have THEIR eligibility determined under EXPANDED OR standard eligibility rules.

2. EXPANDED CATEGORICAL ELIGIBILITY (ECE)

A. EXPANDED CATEGORICAL ELIGIBILITY HOUSEHOLDS ARE:

- 1) HOUSEHOLDS WHO HAVE BEEN AUTHORIZED TO RECEIVE A NON-CASH TEMPORARY ASSISTANCE TO NEEDY FAMILIES/MAINTENANCE OF EFFORT (TANF/MOE) FUNDED SERVICE DESIGNED TO FURTHER TANF PURPOSE FOUR (4) BY

“ENCOURAGING THE FORMATION AND MAINTENANCE OF TWO-PARENT FAMILIES.” LANGUAGE REGARDING THE NON-CASH TANF/MOE FUNDED PROGRAM SHALL BE PROVIDED ON THE APPLICATION, RECERTIFICATION APPLICATION, PERIODIC REPORT FORM, AND/OR THE STATEMENT OF FACTS.

- 2) HOUSEHOLDS WITH A COMBINED GROSS INCOME AT OR BELOW TWO HUNDRED PERCENT (200%) OF THE FEDERAL POVERTY LEVEL.

B. HOUSEHOLDS ELIGIBLE UNDER EXPANDED CATEGORICAL ELIGIBILITY HAVE BEEN DEEMED TO HAVE MET THE INCOME AND RESOURCE REQUIREMENTS OF THE PROGRAM THAT CONFERS ELIGIBILITY; THEREFORE, NO FURTHER VERIFICATION IS REQUIRED BEYOND THAT GATHERED BY THE PROGRAM THAT CONFERS ELIGIBILITY. HOWEVER, THE AGENCY MUST COLLECT AND VERIFY ELIGIBILITY FACTORS IN ACCORDANCE WITH SECTIONS 4.300 AND 4.502 IF THESE FACTORS ARE NOT ALREADY COLLECTED AND VERIFIED BY THE OTHER PROGRAM, ARE CONSIDERED QUESTIONABLE, OR ARE UNAVAILABLE TO THE FOOD ASSISTANCE PROGRAM. THIS INCLUDES:

- 1) NET INCOME;
- 2) GROSS INCOME;
- 3) RESOURCES;
- 4) RESIDENCY;
- 5) SOCIAL SECURITY NUMBER;
- 6) SPONSORED NON-CITIZEN INFORMATION.

C. A HOUSEHOLD’S ELIGIBILITY CANNOT BE DETERMINED USING EXPANDED CATEGORICAL ELIGIBILITY RULES IF, AT THE TIME OF APPLICATION:

- 1) ANY MEMBER IS DISQUALIFIED FOR AN INTENTIONAL PROGRAM VIOLATION OF THE FOOD ASSISTANCE PROGRAM.
- 2) ANY MEMBER HAS BEEN CONVICTED OF A DRUG-RELATED FELONY WHERE FOOD ASSISTANCE BENEFITS WERE USED TO PURCHASE DRUGS.

D. HOUSEHOLDS THAT ARE INELIGIBLE FOR FOOD ASSISTANCE BENEFITS UNDER EXPANDED CATEGORICAL ELIGIBILITY RULES SHALL HAVE THEIR ELIGIBILITY DETERMINED UNDER STANDARD ELIGIBILITY RULES.

3. Standard Eligibility (SE)

a. Standard eligibility rules shall only be applied to the following households:

- 1) Households that include a member who is serving a disqualification for an IPV or a fraud conviction.
- 2) HOUSEHOLDS THAT INCLUDE A MEMBER WHO HAS BEEN CONVICTED OF A DRUG-RELATED FELONY WHERE FOOD ASSISTANCE BENEFITS WERE USED TO PURCHASE DRUGS.

- ~~2) 3) Households found ineligible THAT DO NOT MEET THE CRITERIA TO BE CONSIDERED under expanded and basic OR EXPANDED categorical eligibility rules. that include a member who is elderly or a person with a disability in which the gross income of the household exceeds two hundred percent (200%) of the federal poverty level~~
- ~~3) Households determined ineligible under basic categorical eligibility rules that include a member who is a fleeing felon or a parole/probation violator as outlined in Section 4.304.4, B, C, and D.~~

b. Households having their eligibility reviewed under standard eligibility rules must meet ~~one of~~ the following criteria:

- 1) Households that include a member who is elderly or a person with a disability AS DEFINED IN SECTION 4.304.41,C must have A COMBINED NET INCOME, AFTER ALL APPLICABLE DEDUCTIONS, ~~have a net income level~~ at or below one hundred percent (100%) of the federal poverty level. ~~after all applicable deductions.~~ The household must have resources below the limit prescribed in Section 4.408.
- 2) Households that do not include a member who is elderly or a person with a disability AS DEFINED IN SECTION 4.304.41,C must have a combined gross income at or below one hundred thirty percent (130%) of the federal poverty level. After all applicable deductions, the HOUSEHOLD'S net income ~~level~~ must be at or below one hundred percent (100%) of the federal poverty level. The household must have resources below the limit prescribed in Section 4.408.
- 3) HOUSEHOLDS MUST ALSO MEET NONFINANCIAL ELIGIBILITY CRITERIA SET OUT IN SECTION 4.300.

~~c. To be eligible under standard eligibility rules, households must meet the nonfinancial criteria set out in Section 4.300.~~

~~d. C.~~ Households, as defined in Section 4.304, that are found ineligible under standard eligibility rules shall be CONSIDERED ineligible FOR PARTICIPATION IN ~~for~~ the Food Assistance Program.

DC. IF THE CIRCUMSTANCES WHICH ALLOWED THE HOUSEHOLD TO MEET THE CRITERIA TO BE CONSIDERED UNDER BASIC OR EXPANDED CATEGORICAL RULES CHANGE DURING THE CERTIFICATION PERIOD OR AT THE TIME OF RECERTIFICATION OR PERIODIC REPORT, THE HOUSEHOLD'S ELIGIBILITY MUST BE RE-EVALUATED ACCORDING TO THE APPROPRIATE CATEGORY. IF THERE IS INSUFFICIENT DOCUMENTATION TO MAKE AN ELIGIBILITY DETERMINATION BASED ON THE NEW CATEGORY OF ELIGIBILITY, THE AGENCY SHALL SEND THE HOUSEHOLD A REQUEST FOR VERIFICATION IN ACCORDANCE WITH SECTIONS 4.604, ACTION ON REPORTED CHANGES, AND 4.604.1, VERIFICATION OF REPORTED CHANGES.

4.400 FINANCIAL ELIGIBILITY CRITERIA

Financial criteria for eligibility shall apply to all households, ~~except for those eligible under basic categorical eligibility, in regards to net and gross income tests.~~ Income shall be considered prospectively for the issuance month based on the eligibility worker's determination of the household's reasonably anticipated monthly income, and for households eligible under standard eligibility as outlined in Section 4.206, the value of its resources is considered.

4.401.1 Gross Income Eligibility Determination [Rev. eff. 10/1/17]

A household EVALUATED UNDER STANDARD ELIGIBILITY RULES, ~~except those eligible under basic categorical eligibility, that does not include a member who is elderly or a person with a disability, as defined in Section 4.304.41,~~ may be eligible if its monthly nonexempt earned and unearned income does not exceed the gross income level. ~~Except for households that are eligible under basic categorical eligibility, households without person who is elderly and/or a person with a disability shall be ineligible for Food Assistance if its monthly income, IF after deducting any legally obligated child support payments and no other deductions, THE HOUSEHOLD exceeds the gross income level. In such cases, there is ARE no FURTHER computationS REQUIRED to consider deductions THE HOUSEHOLD'S NET INCOME LEVEL. Instead, a Notice of Action form is completed to deny the household.~~

- A. The gross income level for households ELIGIBLE UNDER STANDARD ELIGIBILITY RULES that do not include a member who is elderly and/or a person with a disability is one hundred thirty percent (130%) of the federal poverty level.
- B. ~~The gross income level for households eligible under expanded categorical eligibility that include a member who is elderly or a person with a disability is two hundred percent (200%) of the federal poverty level. If the household exceeds 200% of the federal poverty level, the household shall be reviewed under basic categorical eligibility rules and/or standard eligibility rules as outlined in Section 4.206. If the household is eligible under standard eligibility rules, the household shall only be subject to the net income level of one hundred percent (100%) of the federal poverty level.~~

4.401.2 Net Income Eligibility Determination [Rev. eff. 10/1/17]

- A. ~~All Households EVALUATED UNDER STANDARD ELIGIBILITY RULES, except those who are eligible under basic categorical eligibility, whose income does not exceed the gross income level as outlined in this section shall have their eligibility for benefits computed allowing the earned income, standard, dependent care, medical, and shelter deductions, as appropriate. The household shall be eligible only if its monthly gross income, less the allowable Food Assistance deductions, is below the maximum net eligibility level for their household size. A STANDARD ELIGIBILITY household that exceeds the net eligibility level must be denied., except for households eligible under basic categorical eligibility rules.~~
- B. A STANDARD ELIGIBILITY household ~~that is ineligible for either expanded or basic categorical eligibility~~ shall be eligible for Food Assistance benefits if its monthly nonexempt earned and unearned income, less all applicable deductions, including the earned income, standard, medical, dependent care, and unlimited excess shelter deduction, does not exceed the maximum net income level.

4.408 RESOURCE ELIGIBILITY STANDARDS

- A. The local office shall consider households eligible under either expanded or basic categorical eligibility as outlined in Section 4.206 to have satisfied the resource eligibility criteria of this section. For households eligible under EITHER basic OR EXPANDED categorical eligibility, the case shall be documented to show that all household members have been approved for and/or are receiving benefits from the program that confers basic categorical eligibility.

4.502 VERIFICATION REQUIREMENTS AT APPLICATION, REDETERMINATION, AND PERIODIC REPORT

A. Verification Requirements at Application

1. Expedited Service Requirements

Only verification of the identity of the applicant is required. When an authorized representative applies on behalf of a household, the identity of both the authorized representative and the head of household shall be verified. No requirement for a specific document may be imposed. Client declaration of Social Security Number(s) and residency shall be accepted.

Client declaration of other household circumstances shall be accepted when determining eligibility for expedited service, and verification of any client-declared information shall be postponed in accordance with Section 4.205.11, B, and verified prior to certification as outlined below. See also Section 4.205.1

2. The following information shall be verified prior to certification:

- a. Identity of the applicant;
- b. Household's gross nonexempt income;
- c. Information available through IEVS, including Social Security Numbers (SSNs) for all household members;
- d. Non-citizen status of persons identified as non-citizens on the application;
- e. Residency, except for homeless households, or households newly arrived in the state or county for whom third-party verification cannot reasonably be obtained.

3. The household shall be given a reasonable opportunity to submit verification of certain expenses in order to receive expense deductions. If a deductible expense must be verified and obtaining verification may delay the household's certification, the local office shall advise the household that the household's eligibility and benefit level will be determined without providing a deduction for the claimed but unverified expense. If the expense cannot be verified within thirty (30) calendar days of the date of application, the local office shall determine the household's eligibility and benefit level without providing a deduction for the unverified expense.

- a. Allowable medical expenses less reimbursement;
- b. Legally-obligated child support payments;
- c. Dependent care expenses; and,

4. For households eligible under basic OR EXPANDED categorical eligibility RULES, verification is not required for OF resources, gross and net income limits, SSN information, sponsored non-citizen information, and residency beyond that gathered by the public assistance program that confers eligibility SHALL NOT BE REQUIRED UNLESS THESE ELIGIBILITY FACTORS ARE NOT ALREADY COLLECTED AND VERIFIED BY THE OTHER PROGRAM, ARE CONSIDERED QUESTIONABLE, OR ARE UNAVAILABLE TO THE FOOD ASSISTANCE PROGRAM. For those households whose eligibility can be determined under basic categorical eligibility rules, The local office shall verify that each member receives benefits or services from the program that confers basic OR EXPANDED categorical eligibility.

5. For households subject to an asset test, the household's written declaration of resources in excess of the resource limit is an acceptable form of verification.

4.603 HOUSEHOLD RESPONSIBILITY TO REPORT CHANGES

A. Requirements for All Households

1. Applicant households shall report all changes related to their Food Assistance eligibility and benefits at the certification interview, including any changes that occurred between the date an application is submitted and the date of the interview. If a change is reported in an initial month and the application has not yet been processed, the local office shall act on the most current information.
2. Households are required to report changes in household circumstances in accordance with the provisions of this section, no later than ten (10) calendar days from the end of the calendar month in which the change occurred. The local office has up to ten (10) calendar days to act from the date of the change is considered reported.
3. Households are required to report all changes in household circumstances when filing a redetermination and periodic report.
4. Able-Bodied Adults Without dependents, as defined in Section 4.100, that do not meet an exemption criteria, as outlined in Section 4.310.3, are required to report any changes in work hours that bring the individual below twenty (20) hours per week, averaged monthly.

B. Additional requirements for Simplified Reporting Households

1. All households with certification periods of six (6) months and twenty-four (24) months shall be considered simplified reporting households. At redetermination, households with six (6) month certifications are required to report all changes in household circumstances. Households with twenty-four (24) month certifications are required to report all changes in household circumstances at the twelve (12) month periodic reporting period and at redetermination (see Section 4.208.1).
2. The only change a simplified reporting household shall be required to report during the certification period is if the household's combined gross income exceeds one hundred thirty percent (130%) of the federal poverty level, as applicable to their household size. Simplified reporting households that exceed the one hundred thirty percent (130%) federal poverty level (FPL), as applicable to their household composition, will have ten (10) calendar days from the end of the month in which the household exceeded one hundred thirty percent (130%) FPL to report the change to the local office.
3. Households WHO HAVE NO GROSS INCOME THRESHOLD OR WHO ARE eligible to be certified with a gross income level of up to two hundred percent (200%) of the federal poverty level, as applicable to the household size, who are INITIALLY certified with income above one hundred thirty percent (130%) FPL shall not be required to report increases in the household's combined gross income during the certification period. See Section 4.604 for clarification on how to act in situations when a household reports this information.
4. Households WHO HAVE NO GROSS INCOME THRESHOLD OR WHO ARE eligible to be certified with a gross income level of up to two hundred percent (200%) of the FPL, as applicable to the household size, who are INITIALLY certified with income below 130% FPL are required to report when the household's combined gross income exceeds one hundred thirty percent (130%) FPL applicable to the household size. After the household reports its first increase in income above one hundred thirty percent (130%) FPL, the household shall not be required to report further increases in the household's combined gross income for the remainder of the certification period.
5. The only change a simplified reporting household must report after the interview is if the

household's gross monthly income exceeds one hundred thirty percent (130%) of the FPL applicable to the household size. If a change is reported after the interview but before the application has been processed, the local office shall act on the most current information. If a change is reported after the application has been processed, then the change shall be acted upon in accordance with Section 4.604.

6. When a simplified reporting household submits a recertification or periodic report form and an interview is not conducted because one has been completed in the previous twelve month period, any changes that occur after the recertification or periodic report form was submitted are not required to be reported unless the change causes the household to exceed one hundred thirty percent (130%) FPL applicable to the household size. If an interview is scheduled with the household, then the household is required to report any changes that occur between the time the household submitted the recertification application or periodic report form and the date of the interview.
7. Upon benefit approval at initial application, redetermination and periodic change report, the household shall be provided with a notice of the gross income level that applies to its household size.

~~C. Additional Requirements for Non-Simplified Reporting Households Non-simplified reporting households are those households that are certified for three (3) months in accordance with Section 4.208.~~

~~1. Non-simplified reporting households shall be required to:~~

- ~~1. Report and verify changes of more than fifty dollars (\$50) in the amount of the household's gross monthly unearned income and more than one hundred dollars (\$100) in the household's gross monthly earned income; and,~~
- ~~2. Report and verify changes in the source of income, including loss of or quitting a job, or changing jobs if the change in employment is accompanied by a change in income; and,~~
- ~~3. Report all changes in household composition, such as the addition or loss of a household member, and verify if questionable; and,~~
- ~~4. Report and verify changes in residence and the resulting change in shelter costs; and,~~
- ~~5. Report and verify changes in the legal obligation to pay child support and changes in the amount legally obligated to be paid; and,~~
- ~~6. Changes which are required to be reported in accordance with the provisions of this section, which occur after the interview, but before the date of the notice of eligibility, shall be reported by the household within ten (10) calendar days of the date the notice was issued, and the change shall be processed in accordance with Section 4.603.~~

4.604 ACTION ON REPORTED CHANGES

Changes shall be acted on in accordance with the following guidelines:

A. General Requirements

Changes to a household's circumstances shall be acted on prospectively and processed within ten (10) calendar days from the date the change is considered to be reported (see Section 4.602). Changes reported by households shall be documented in the Food Assistance case

record to indicate the change and the date that the change was reported. If a Change Report Form was used, the local office shall provide another Change Report Form to the household and notify the household of the receipt of the change report. If the reported change causes a change to the household's allotment, a notice of action form shall be issued to inform the household of a new basis of issuance and/or a supplemental allotment. If a supplemental allotment is to be issued, the amount of the supplemental allotment shall be the difference between the allotment the household is eligible to receive, due to the reported change, and the allotment the household actually received for the current month. The household's total monthly allotment shall be increased for all subsequent months of the certification period that are affected by the change.

B. Changes Reported at Redetermination and Periodic Report

The county local office shall act on all changes reported by households filing a redetermination or periodic report. When a household reports information during the certification period that it was not required to report, the local office shall document the information in the case record. If the information is not acted upon because it would cause a reduction in benefits for a simplified reporting household, and it does not meet the criteria outlined in D below, the local office shall review the information at the time of the household's subsequent certification, or at the twelve (12) month periodic report for those households certified for twenty-four (24) months to determine if the change should be acted upon when processing the redetermination or periodic report.

C. Changes Resulting In an Increase

1. The county local office shall act on any change reported by the household that will increase benefits. The increased allotment shall be made no later than the first allotment issued ten (10) or more calendar days after the change is considered to be reported. Any increase in benefits resulting from a change shall take effect the month following the month the change is considered reported per Section 4.602. Therefore, if such a change is reported after the twentieth (20th) of a month, and it is not possible to adjust the following month's allotment before the household's next normal issuance day, a supplemental allotment (in addition to the previously authorized monthly allotment) must be issued within ten (10) calendar days from the date the change was considered to be reported. A supplemental allotment shall not be issued for the month in which the change occurred.
2. Changes that result in increased Food Assistance benefits for a household must be verified by the household within ten (10) calendar days from the date the change is reported. If the household fails to provide verification, benefits shall remain at the original level until verification is obtained. Changes that result in increased Food Assistance benefits for a household must be verified prior to adjusting the household's allotment.

D. Changes Resulting in Allotment Decreases

Changes that result in a decreased allotment shall be processed within ten (10) calendar days from the date the change is considered reported and made effective on the last day of the month in which the advance Notice of Adverse Action expires. The notice of adverse action expires eleven (11) calendar days from the date it is issued or fifteen (15) calendar days for households participating in the address confidentiality program (ACP).

For simplified reporting households, the county local office shall not act on changes during the certification period that would decrease benefits, unless:

1. The head of household requests that his/her case be closed;
2. The head of household requests that any member be removed;
3. An adult member requests to be removed from the case;
4. An adult member requests that he/she and his/her children be removed from the case;

5. The agency has information about the household's circumstances considered verified upon receipt (see Section 4.504.6);
6. There has been a change in the household's public assistance grant;
7. The agency is acting on a mass change as outlined in Section 4.607; or,
8. A household WHO HAS NO GROSS INCOME THRESHOLD OR WHO IS eligible to be certified with a gross income level up to two hundred percent (200%) FPL as applicable to the household size, which is INITIALLY certified with income below one hundred thirty percent (130%) FPL has a change in income that causes the household's combined gross monthly income during the certification period to exceed one hundred thirty percent (130%) FPL. Refer to Section 4.401.1 for a description of households that are eligible to be certified with a gross income level up to two hundred percent (200%) FPL.
9. THE AGENCY HAS RECEIVED INFORMATION FROM THE PRISONER VERIFICATION SYSTEM OR THE DECEASED MATCHING SYSTEM THAT A HOUSEHOLD MEMBER IS NO LONGER RESIDING IN THE HOME AND THE HOUSEHOLD HAS FAILED TO RESPOND TO THE NOTICE OF MATCH, PROVIDED INSUFFICIENT EVIDENCE TO THE CONTRARY, OR HAS CONFIRMED THE MATCH IN ACCORDANCE WITH SECTION 4.604.1,B.

E. Changes Resulting in Ineligibility

Changes that result in the household becoming ineligible shall be processed within ten (10) calendar days from the date the change is considered reported, unless the change does not require adverse action per Section 4.608.1. Changes resulting in ineligibility shall be made effective on the last day of the month in which the Notice of Adverse Action expires. The notice of adverse action expires eleven (11) calendar days from the date it is issued or fifteen (15) calendar days for households participating in the address confidentiality program (ACP). Documentation of the eligibility determination shall be noted in the case record.

Households that would otherwise become temporarily ineligible due to a periodic increase in recurring income or become ineligible due to another change that is not expected to continue in the subsequent month shall have their issuance suspended. Food assistance households may be placed in suspense for one month. Households not eligible for Food Assistance in the following issuance month must be discontinued from the Food Assistance Program. Households placed in suspense shall not receive a Food Assistance allotment for that issuance month. These households are considered to be eligible for the Food Assistance Program although receiving a zero allotment for the month the household is in suspense. If the suspended household again becomes eligible to receive an allotment after the month of suspense, the local office shall issue benefits on the household's normal issuance date. A new application shall not be required if the current certification period has not expired during the month of the suspense.

F. CHANGES IN CATEGORICAL ELIGIBILITY

WHEN A HOUSEHOLD REPORTS A CHANGE DURING THE CERTIFICATION PERIOD THAT RESULTS IN IT NO LONGER MEETING THE CRITERIA OF THE CATEGORICAL ELIGIBILITY TIER IT WAS ORIGINALLY CERTIFIED UNDER PER SECTION 4.206, THE HOUSEHOLD'S ELIGIBILITY MUST BE RE-EVALUATED USING THE NEXT APPROPRIATE CATEGORY. IF THE REPORTED CHANGE HAS NOT BEEN VERIFIED, OR IS CONSIDERED QUESTIONABLE, AND IT CANNOT BE DETERMINED WHETHER BASIC CATEGORICAL ELIGIBILITY, EXPANDED CATEGORICAL ELIGIBILITY, OR STANDARD ELIGIBILITY CRITERIA SHOULD BE USED, A REQUEST FOR VERIFICATION SHALL BE INITIATED PER SECTION 4.604.1, VERIFICATION OF REPORTED CHANGES.

~~F.~~ G. Changes in Household Composition

1. Changes in household composition shall be acted on prospectively for the following month when the local office is able to affect the change prior to the determination of the household's allotment for that month. Anticipated income, deductions and other financial and non-financial criteria of the new member shall be considered in the prospective determination. The anticipated income, deductions, and other financial and non-financial criteria of a removed member shall no longer be considered when determining the household's eligibility (see Section 4.304). For changes in household composition that cause a decrease in the household's allotment, refer to D, "Changes Resulting in Allotment Decreases," above, for how to act on the change for a simplified reporting household.
2. Individuals Disqualified During the Certification Period When an individual is disqualified during the household's certification period, the Food Assistance certification office shall determine the eligibility or ineligibility of the remaining household members based on information contained in the case record. If information in the case record is insufficient, additional information shall be obtained as needed.
 - a. If a household's benefits are reduced or terminated within the certification period because one or more of its members was disqualified for intentional program violation/fraud, the local office shall notify the remaining members of their eligibility and benefit level at the same time the disqualified member(s) is notified of his or her disqualification.
 - b. If a household's benefits are reduced or terminated within the certification period because one or more of its members is disqualified for being an ineligible noncitizen, noncompliance with a work requirement, or for failure or refusal to obtain or provide a Social Security Number, the local office shall send a Notice of Adverse Action which informs the household of the disqualification, the reason for the disqualification, the eligibility and benefit level of the remaining members, and the actions the disqualified member must take to end the disqualification.

~~G~~-H. Changes Reported During the Certification Period That the Household Is Not Required To Report

When a household reports information during the certification period that it was not required to report, the local office shall document the information in the case record. If the information is not acted upon because it would cause a reduction in a simplified reporting household's benefit allotment and it does not meet the criteria outlined in d above, the local office shall review the information at the time of the household's subsequent certification, or at the twelve (12) month periodic report for those households certified for twenty-four (24) months to determine if the change should be acted upon at that time.

~~H~~-I. Refusal to Cooperate

The household shall be determined ineligible if it refused to cooperate in any subsequent review of its eligibility, including reviews generated by reported changes, recertifications, or as part of a quality control review in accordance with Sections 4.903.4, 4.903.41, and 4.903.42. If a simplified reporting household reports a change during the certification period that it was not required to report, the local office may request verification of the change, but if the household does not provide verification, then the case cannot be denied for failing to provide the requested information