.04 Procedure: Budgeting Child, Medical, and Spousal Support

This section provides information on how to budget Child, Spousal and Cash Medical support payments. Procedures for dealing with support income when completing an income budget are explained in this section.

Procedures

Before budgeting income, discuss with the participant the court ordered amount of support and the amount they normally receive. All recurring arrearages received must be budgeted as support arrearages.

Child, spousal or alimony, and cash medical support payments are considered income of the participant to whom support is court ordered to be paid.

Budget all spousal payments received by a participant in the budgetary unit. Only court ordered support payments are budgeted as support income. Support income displaying on CHSP is verified as court ordered.

The Division of Child Support Services (DCSS) is Arizona's Title IV-D Child Support Enforcement agency. Support income issued through DCSS and displaying on CHSP in AZTECS is based on court ordered support and considered verified. Spousal maintenance and alimony may also display on CHSP.

When there are no arrears, fees, or judgments owed and the amount of support income paid is over the court ordered amount, budget the amount that is over as a gift unless the amount over the court order is due to averaging. See Cash Gifts and Averaging Income for additional information.

Review CHSP for support payments issued through DCSS. This support information is automatically sent by DCSS to CHSP in AZTECS after the first month that NA benefits are issued when the absent parent was connected at any time to the AZTECS case.

To budget support income, *all* of the following applies:

- Discuss with the participant the amount of support that is court ordered and the amount that is normally received. Ensure the participant explains the amount of support income expected and, when possible, have the participant write a statement. Do not convert support income.

- When CHSP is available and is an accurate reflection of the participant's expected support income, use the income reflected on CHSP. When the support income displayed on CHSP fluctuates, use the most recent prior three months available and average.

- When it is determined that the prior 30 calendar days is an accurate reflection of the participant's expected support income to be received every month, budget that amount.

- When it is determined that the prior 30 calendar days is not an accurate reflection of the participant's expected support income, review additional consecutive months of support income history.

- Establish an accurate reflection of the expected support income and document how the income was determined. When the amount of support income varies, average the number of months of support received and divide by the number of months reviewed to determine an accurate reflection of what is normal. (See Example 1) Support income history includes and is not limited to *any* of the following:

    Court records

    Pay records or histories from the Clerk of the Court in Arizona or another state

    DCSS documents showing the amount of support paid

    Copies of checks or money orders made out to the custodial parent indicating that the payment is for support

    Receipts and pay histories from any state's support centralized payment processing center

- Budget a true reflection of support income normally received on a monthly basis.

- When the participant is not available, and a normal amount cannot be determined, attempt a collateral contact. Send a request for information when needed.

- When the court ordered amount or the amount received is different due to an additional recurring arrearage, budget the additional recurring support income as arrearages.

- Document the case file(g) with how the amount of support income budgeted was determined.

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NOTE   When support income is received more often than monthly, determine an average monthly amount. Add the support payments received within each month together and divide by the number of months used in the income period. Include any zero months in the averaging determination when the zero months are expected to continue. (For more information, see Averaging Income and Example 2.

Participants who receive support income on a regular basis may, at times, receive an extra support payment for reasons including and not limited to *any* of the following:

- A change in issue dates

- Weekends or holidays cause an interruption in issuing schedules

- The payment was not received in the month for which it was intended

Count the support income in the month for which it is intended rather than the month in which it is made available.

NOTE   When the support income received in the application month is for a full month, the amount is known. For new applications, budget the known amount that is court ordered and is expected to be received for the application month. For ongoing months, use the last 30 calendar days or more, when necessary, to budget a true reflection of support income normally received monthly.

Recurring support arrearage payments are countable as unearned income and must be budgeted. When the arrearage payment is recurring and can be expected to continue, budget the support income using the appropriate Unearned Income Code in the INC TYP field on UNIC. (See Example 3)

Follow the same budgeting procedures when the participant does not surrender support payments assigned to DCSS.

For CA, when support income, received from any source, is assigned to and retained by DCSS, do not budget the support income during *any* of the following times:

- Beginning the month after the month CA is approved.

- While CA remains in open status.

When support income is received directly from a private collection agency, do not deduct fees retained by the collection agency. (For more information, see Direct Pay Support Income.)

A discrepancy may occur between CHSP and the participant's statement or the participant's verification. When this occurs, discuss with the participant the amount that is normal to be received. When the discrepancy cannot be explained or is questionable, elevate the case situation to the Policy Support Team (PST). (See Elevating Eligibility Questions (Policy Clarification or Field Inquiry) elevation process for more information.

DCSS has the authority to attach additional support arrearages. When the discrepancy is due to additional recurring child support arrearages added to the support order by DCSS, it is not necessary to elevate to the PST. Budget the arrearages that are recurring.

CHSP can be uploaded to OnBase or HEAplus only. Per FAA's Data Sharing Agreement (DSA) with DCSS, do not print CHSP to give to a participant. (For information on the release of information, see Release of Confidential Information)

See Child Support Payment information on-line for a listing of state websites that provide child support income information on-line.

AZTECS Keying Procedures

When support income is issued through DCSS it displays on CHSP as *any* of the following:

- Current Child Support (CS RE or BC RE)

- Current Alimony or Spousal Maintenance Support (SP RE)

- Current Cash Medical Support (CM RE)

- Support Arrearages (CS AR, CS LS, BC AR, BC LS, SP AR, SP LS, CM AR or CM LS)

  NOTE AR displaying on CHSP indicates a support arrearage payment that is recurring. LS indicates a Lump Sum payment. A lump sum payment is considered a one-time lump sum and is not expected to continue. Lump sum payments are not countable as income. Lump sum payments are countable as a resource in the month received.

When the budgetary unit is receiving CA, budget support income for the child or children not included in the CA benefit. This includes support income passed through by DCSS, for children not included in the CA benefit, such as a family benefit cap (BC) child or a child receiving Supplemental Security Income (SSI). This income displays on CHSP as *any* of the following:

- BC RE

- BC AR

- BC LS

Key support payments next to the participant court ordered to receive the support payment. This is usually the custodial parent or person.

In AZTECS, *all* of the following applies:

- Key the actual income received using the MO frequency code when child support is not converted.

- Key the CS NS Unearned Income Code in the INC TYP field on UNIC when the participant does not surrender support payments assigned to DCSS.

- Key OF for child support income that is countable for NA only.

  NOTE Key the OF code when budgeting child support income for Hopi Tribal TANF and Pascua Yaqui Tribal TANF.

- Key OX for child support income that is not countable for NA or CA.

Document the case file(g) thoroughly to support keyed codes, amounts, and frequencies. See the AZTECS Data Entry Guide for instructions on keying the AZTECS income screens.

NOTE Documentation must support determinations of eligibility and benefit level. Document in sufficient detail to ensure that any reviewer can assess whether the determination is reasonable and accurate. Include specific information regarding the reason the income is determined to be normal. (See Budgeting Income Documentation Requirements for additional information.)

Examples

1) The PI submits an application and is interviewed in March. The PI states child support is normally received monthly, and the amount varies from $436 to $490.00. The client also states that she receives high checks 2 months out of the year.

Review and average the amounts received in the last 12 months for an accurate reflection of an ongoing amount. Add the support income amounts in the months received. Divide the most recent 12 months support income total by the 12 months used in the budget.

Months	Support Income
February	$436
January	$489
December	$490
November	$436
October	$640
September	$436
August	$620
July	$480
June	$490
May	$438
April	$436
March	$445
Annual Income:	$5,836
Divided by 12:	÷ 12
Monthly Income:	$486.33

Key the resulting figure as *all* the following:

- Key MO in the FREQ field on UNIC.

- Key $486.33 in the GROSS AMOUNT field on UNIC.

Key the appropriate Unearned Income Code in the INC TYP field on UNIC.

2) The PI applies and is interviewed in April. The PI states child support is sporadic. Review the amounts received in the three prior calendar months. Add the support income amounts in the months' income was received along with the zero income months. Divide the three-month support income total by the three months used in the budget.

Months	Support Income
January 01/05	$185
February 02/20	$0

March 03/20	$105
Three-month total:	$290
Divided by three months:	÷ 3
Average monthly amount	$96.66

Key the resulting figure as *all* of the following:

- Key MO in the FREQ field on UNIC.

- Key $96.66 in the GROSS AMOUNT field on UNIC.

Key the appropriate Unearned Income Code in the INC TYP field on UNIC.

3) Application month is April, and the PI is interviewed on April 15th. The PI states she receives child support arrearages. A review of CHSP for the prior three

months indicates the participant received an arrearage payment of $200.00 in February and $400.00 in March.

Add the support arrearage income for the months that income was received along with the $0.00 amounts for the month no arrearages were received. Divide the total arrearage income by the number of months being reviewed.

Months	Arrearage Income
January	$0
February	$200
March	$400
Three-month total:	$600
Divided by three months:	÷ 3
Average monthly amount	$200

Key the resulting figure as *all* of the following:

- Key MO in the FREQ field on UNIC.

- Key $200.00 in the GROSS AMOUNT field on UNIC.

- Key the CS AR Income Type Code in the INC TYP field on UNIC.

Prior Policy

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