

.16 Child or Cash Medical Support Income



Child or cash medical support is any payment ordered by the court and received by a participant from a legally obligated person.

Policy

Child or cash medical support is any payment ordered by the court and received by the participant court ordered to receive the payment from a legally obligated person.

Support income may be countable or not countable depending on the program in which the participant is receiving benefits. See **any** of the following:

- [NA Countable and Not Countable Support](#)
- [CA Countable and Not Countable Support](#)

Countable income is used to determine an income budget. (See [Income Budgeting](#) to see how FAA determines the income budget.) FAA needs to know about income that is both countable and not countable to determine whether a budgetary unit's expenses are exceeding their income. (See [Income Eligibility](#) for more information about how FAA uses countable and not countable income.)

Support income is any payment ordered by the court and received by the participant, from **any** of the following:

- An absent parent

NOTE When court ordered support, income is received directly from a private source, it is considered Direct Pay Support Income. Private sources include and are not limited to **any** of the following:

Private collection agency

The absent parent or ex-spouse

- The Clerk of the Court in Arizona or another state
- Any state's child support centralized payment processing center
- A private collection agency
- The Division of Child Support Services (DCSS)

NOTE A child, spousal or cash medical support payment that is received by a participant but not court ordered is countable as a gift unless the payment is a recurring arrearage payment.

DCSS has the legal authority to add arrearages for unpaid support over the court ordered amount. Arrearages are countable as unearned income.

Support income over the court ordered amount is only countable as support when the amount over is due to averaging or arrearages. Any monies received for current support that are over the court ordered amount (not due to averaging or arrearages) are countable as a gift.

Nonrecurring monies from an absent parent that are not court ordered child support and that do not exceed \$30 per calendar quarter, per child are also considered a gift but are not countable.

NA Countable and Not Countable Support Income

Court ordered support payments are countable when **any** of the following apply:

- The payment is paid to a participant included in the budgetary unit.
- The payment is made directly to the participant.
- The payment is for a recurring arrearage payment.
- Legally owed payments are diverted by the provider to a third party for a household expense.

NOTE When the expense is allowable, the budgetary unit is allowed the shelter expense deduction.

- A support payment received after CA approval that is not turned in to the Division of Child Support Services (DCSS). The participant is allowed to keep child support issued by DCSS for certain children who are not eligible for CA. This includes a benefit cap child or a child receiving Supplemental Security Income (SSI). For more information on benefit cap, see [Benefit Cap \(BC\) Children](#).
- The support payment is issued by DCSS to a CA participant during the three-month Grant Diversion (GD) time frame.
- The child support payment is issued by DCSS and is in excess of the CA benefit amount.
- The court has ordered payment for the participant, but an in-kind benefit is made instead. No amount of the in-kind benefit in excess of the court order is allowed as an [In-kind benefit\(g\)](#).

The payment is not countable when the court has ordered support payments be paid to a third party instead of the participant, the payment is considered a vendor payment and is not countable. Not countable support also includes support received by a nonparticipant of the budgetary unit.

NOTE An expense deduction is not allowable for any expense paid by a vendor payment. (See [Vendor Payment Income](#) for more information about vendor payments.)

CA Countable and Not Countable Support Income

Support payments are countable when **any** of the following apply:

- The court ordered payment is made to a participant in the budgetary unit.
- The payment is for a court ordered recurring arrearage payment.
- The payment is paid or returned to the participant by the Division of Child Support Services (DCSS).

- The payment is paid to the participant by a private collection agency.
- The budgetary unit receives support payments after approval and does not turn in the payments to DCSS.

NOTE The participant is allowed to keep child support issued by DCSS for a Benefit Cap child or a child receiving Supplemental Security Income (SSI).

- Child support payments issued through DCSS that exceed the CA benefit amount.
- The payment is paid to a participant for spousal maintenance.
- Medical support received as a cash payment.

Do not count support payments received towards CA when **any** of the following apply:

- The payment is paid to a participant in the home who is not included in the budgetary unit.
- The payment is a vendor payment ordered by the court, such as rent, or mortgage paid directly to the landlord or mortgagor by the absent parent.
- The payment is an [In-kind benefit\(g\)](#) provided by the absent parent.
- Child support payments issued through DCSS to a CA participant receiving a Grant Diversion payment only countable for the needy family criteria determination.
- The payment is intended for a Benefit Cap child or a child receiving SSI) in a CA budgetary unit.

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.

Any budget support payments that are assigned and retained by DCSS after CA approval are not countable. (See [Example 1](#) and [Example 2](#)).

Child support payments issued through DCSS to a CA Grant Diversion (GD) participant are only countable for the needy family criteria determination.

The support income of nonqualified noncitizens must be prorated to the remaining budgetary unit participants.

Use participant statement verification when the attempt to obtain verification from the absent parent may cause harm or undue hardship for the participant. Document the [case file\(g\)](#) with the reason the participant statement verification was accepted.

When the participant is present, have them sign the Authority to Release (FAA-1765A) form to contact any companies or businesses involved. The FAA-1765A can be faxed or emailed to the participant's employer when it is not possible to use the Application for Benefits (FAA-0001A) or the HEAplus Authority to Release signed statement.

Direct Pay Support Income

Direct Pay Support Income is a court ordered support income that is received directly from a private source. Private sources include and are not limited to **any** of the following:

- Private collection agency
- The absent parent or ex-spouse

NOTE When support income is received directly from a private collection agency, count the gross amount received. Do not deduct fees retained by the collection agency. (For more information see [Direct Pay Support Income Codes](#))

Verification

System interface and the [case file\(g\)](#) must be reviewed before verification is requested. No additional verification is needed when AZTECS interface or HEAplus hubs have verified the information.

The participant has the primary responsibility for providing verification. (See [Participant Responsibilities – Providing Verification](#) for additional policy.)

For NA, **all** of the following income is required to be verified before eligibility is determined:

- Reported on a new application, during the interview of a new application, or changes reported before the eligibility determination of a new application.
- Changes after an eligibility determination of a new application (e.g., a renewal application, mid approval contact, etc.) and **any** of the following apply:

The source of the income has changed. The income is [questionable\(g\)](#) or [unclear\(g\)](#).

The reported income amount has changed by \$51 or more.

The previous verification in the case file is more than 59 calendar days old.

For CA, all income is required to be verified before determining eligibility.

Examples of verification that can be used for legally obligated support include, and are not limited to, **any** of the following:

- Court records
- Pay records from the Clerk of the Court in Arizona or another state
- Division of Child Support Services (DCSS) documents showing the amount of support required to be paid
- SSA or SSI pay history from the HEAplus State Online Query Internet (SOLQI) or the SSA award letter when the child support is taken out of the benefit

Examples of verification that can be used for support pay history include, and are not limited to, **any** of the following:

- Pay records from the Clerk of the Court in Arizona or another state
- Division of Child Support Services (DCSS) documents showing the amount of current support paid
- Copies of cancelled checks or money order receipts made out to the custodial parent
- Receipts and pay histories from any state's child support centralized payment processing center
- Paycheck stub with garnishment amount
- Written statement from a person not in the budgetary unit to whom payments are made
- SSA or SSI pay history from the Social Security Administration (SSA) or the SSA award letter when the child support is taken out of the benefit
- Participant Statement verification when **one** of the following occur:

Obtaining documented or collateral contact verification may cause harm or [undue hardship\(g\)](#) for the participant.

When **all** of the following occur:

- Other attempts to obtain the verification have failed. This includes documented and collateral contact verification.
- The participant has requested assistance from FAA.
- The worker has evaluated the request for assistance and cannot obtain the verification from another acceptable source.
- The participant statement is not [questionable\(g\)](#).

AZTECS Keying Procedures

Key support income on UNIN next to the participant who is court-ordered to receive the support payment using the appropriate support income code.

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

- 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)

When part of a support payment is for a Benefit Cap (BC) child or a child receiving Supplemental Security Income (SSI), complete **all** of the following to identify a specific amount for each child:

- Determine for which children the absent parent is paying child support.
- Divide the total amount of income equally between the number of children receiving support to determine each child's share.

Key the portion of court-ordered support income intended for a BC or SSI child next to the participant who is court-ordered to receive the support payment, using **one** of the following BC codes:

- BC RE (current)
- BC AR (arrearage)
- BC LS (lump sum)

Direct Pay Support Income Codes

When the support income is received directly from the absent parent, key **any** of the following direct pay support Income Type Codes on UNIN next to the participant who is court-ordered to receive the support payment:

- DC RE: Direct Pay Child Support Received, Current
- DC AR: Direct Pay Child Support, Arrearage/Recurring
- DC LS: Direct Pay Child Support, Lump Sum/Nonrecurring
- DB RE: Direct Pay BC Child Support Received, Current
- DB AR: Direct Pay BC Child Support, Arrearage/Recurring
- DB LS: Direct Pay BC Child Support, Lump Sum/Nonrecurring
- DM RE: Direct Pay Cash Medical Support Received, Current
- DM AR: Direct Pay Cash Medical Support, Arrearage/Recurring
- DM LS: Direct Pay Cash Medical Support, Lump Sum

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) Tracy turned in a new CA application on 10/03. Tracy has never received CA benefits. She is interviewed on 10/12.

Because Tracy received NA in the past, she is known to AZTECS. On 10/05, CHSP displays a child support payment issued from DCSS to Tracy on 09/21, which is before Tracy's CA approval. During the interview, Tracy states she received a child support payment on 09/28. Since the information Tracy gave the worker is different than the information displayed on CHSP, the worker requests verification from the Policy Support Team (PST) via email. The PST elevates the case to the Division of Child Support Services (DCSS) for assistance. DCSS verifies that Tracy was issued a child support payment on 09/21 and 09/28.

At the interview, the worker informs Tracy that beginning the month following the month of CA approval, all child support income she receives must be turned in to DCSS. Tracy's CA application is approved on 10/16.

The 09/21 and 09/28 child support payments are not countable in any month, including the month of application. The child support payments are retained by Tracy.

- 2) Monica turns in a new NA and CA application on 05/03. Monica is not known to AZTECS. The application is approved for both programs on 05/30.

In the prior 30 calendar days, Monica received \$25 each week in child support payments. She expects this to continue.

The worker budgets \$25 each week in child support payments for the application month of 05.

Monica receives a child support check on 06/05 from DCSS. Monica also received her notice of approval on 06/05, indicating she must turn in all child support received after CA approval. She turns in the child support check received on 06/05 to DCSS.

Legal Authorities

AAC R6-12-501B3

7 CFR 273.9(b)(2)(ii-vi)

[Prior Policy](#)

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