

06 *Budgeting Child, Medical, and Spousal Support*

REVISION 10
(10/01/09 – 12/31/09)

[Child and medical support payments](#) are considered income of the child. Key the support income next to the child for whom it is intended.

EXCEPTION

Do NOT key child support income next to a child when ALL of the following are in the same budgetary unit:

- The parent paying the child support income.
- The child for whom the child support income is being paid.
- The parent receiving the child support income.

Key spousal support payments next to the adult participant for whom the payment is intended.

Review **CHSP** to view support income history for support payments issued through **DCSE**. The following support income is issued through DCSE and displays on CHSP:

- 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 indicates a support arrearage payment that may be RECURRING. LS indicates a Lump Sum payment intended as payment in full.

A discrepancy may occur between CHSP and the participant's statement or the participant's verification. When this occurs, elevate the case situation to the [Policy Support Team](#) (PST) via e-mail for resolution.

WARNING

CHSP screens can be printed for the [case file\(g\)](#) ONLY. Per FAA's Data Sharing Agreement (DSA) with DCSE, DO NOT PRINT CHSP screens to give to a participant. (See [Release of Confidential Information](#))

NOTE For a listing of state websites that provide child support income information on-line, see [Child Support On-line Information](#).

To budget support income, complete the following:

- Discuss with the participant the amount USUALLY received.
- Review up to three prior months to obtain an accurate child support income amount.
- When the participant or the payment history indicates that support income is received on a regular basis, establish the frequency support income is received.
- [Convert](#) the support income when received with established frequency.

WARNING

When support income is assigned to DCSE, do NOT budget the support income during 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, or DCSE count the gross amount received. Do not deduct fees retained by the collection agency or DCSE.

Key the appropriate Unearned Income Code in the INC TYP field on UNIC when support income is received. When support income is received directly from a private source it is considered Direct Pay Support Income. Private sources include but are not limited to the following:

- Clerk of the Court
- Private collection agency
- The absent parent or ex-spouse

The following are Direct Pay Support Income Type Codes:

- 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
- DS RE: Direct Pay Spousal Maintenance Received; Current
- DS AR: Direct Pay Spousal Maintenance; Arrearage/Recurring
- DS LS: Direct Pay Spousal Maintenance; 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/Nonrecurring

Budgetary units that receive support income on a regular basis may, at times, receive an extra support payment for reasons including any of the following:

- A change in issue dates.
- Weekends or holidays cause an interruption in issuing schedules.
- Payment was not received in the month for which it was intended.
(See Example [Budgeting Support 2](#))

When the participant indicates an amount they usually receive every month, complete the following:

- Have the participant write a statement.
- Review support income received for up to three prior calendar months.
- Budget a true picture of the amount the participant expects to receive.
- At new application, a reported change, or when a participant is added to the case, the prior month may not be an accurate indicator of what is anticipated to be received.

When this occurs, average up to three prior calendar months from the date of application or reported change to anticipate ongoing support income. It may be necessary to anticipate and project to budget a true picture of the amount the participant expects to receive.

Average the support income by completing the following:

- Review the support income received for the income period.
- Add the support income amounts in the months support was received.

- Divide the total support income received by the number of prior calendar months support income was received. (See Example [Budgeting Support 3](#))

WARNING

RECURRING support arrearage payments are countable and must be budgeted. When an arrearage payment exists, review an additional three months to determine whether the arrearage payment is recurring.

When the arrearage payment is recurring and can be anticipated, budget the support income using the appropriate Unearned Income Code in the INC TYP field on UNIC.

The participant or payment history may indicate that support income is sporadic. When this occurs, add the support income amounts in the months income was received along with the zero income months. Average and key the resulting figure as follows:

- Key MO in the FREQ field on UNIC.
- Key the resulting support income amount in the GROSS AMOUNT field on UNIC. This is the amount of support income ANTICIPATED to be received.

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

Follow the same budgeting procedure when the participant does not surrender support payments assigned to DCSE.

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

Support income for children not included in the CA benefit, such as a family benefit capped (BC) child or a child receiving Supplemental Security Income (SSI) displays as BC RE, BC AR and BC LS.. Budget the support income for the child not included in the CA benefit as follows:

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