

## 07 Budgetary Units with Special Circumstances



Certain people, when applying together or alone, make up a [budgetary unit\(g\)](#) with special circumstances.

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### Policy

Budgetary units with special circumstances may receive certain considerations when eligibility for benefits is being determined or when they are using their benefits. See **all** of the following for detailed information:

- [Boarders](#)
- [Elderly or Have a Disability - NA Special Considerations](#)
- [Foster Care - NA Budgetary Unit](#)
- [Homeless Budgetary Units](#)
- [Migrant Farm Workers](#)
- [Seasonal Farm Workers](#)

### Boarders

A boarder is a person who pays someone for providing a room and meals. Boarders are not eligible to receive NA as a separate budgetary unit from the budgetary unit providing the room and meals. The boarder is included as a participant in the budgetary unit that provides the room and meals when **all** of the following apply:

- The boarder pays reasonable compensation for meals.  
When less than reasonable compensation is paid for lodging and meals, the following apply:  
The applicant is not considered a boarder.  
The applicant is a mandatory NA participant and is required to be included in the NA budgetary unit.
- The budgetary unit chooses to include the boarder as a participant.

When the boarder is participating in the NA budgetary unit, **all** of the following apply:

- The boarder's income and resources are countable when determining eligibility for the budgetary unit.
- The boarder's rental payment is not counted as income or as a resource to the budgetary unit.
- The boarder's rental payment is allowable as a shelter expense.

When the boarder is not participating in the NA budgetary unit, **all** of the following apply:

- The boarder's income or resources is not countable when determining eligibility for

the budgetary unit.

- The boarder's rental payment is countable as income of the participant who receives the payment.

### **Elderly or Has a Disability - NA Special Considerations**

NA participants who are elderly or have a disability receive special considerations when budgeting and determining eligibility for their NA case, unless they are disqualified for any reason.

An NA participant is considered an elderly participant or a participant with a disability when they meet at least **one** of the following:

- Is 60 years of age or older. The participant is considered elderly for NA in the month they turn 60.

When a participant turns 60, FAA sends the Request for Medical Expenses notice. Medical expenses are allowable as a deduction for NA participants who are elderly or have a disability.

- Receives SSI benefits under Title XVI or SSA disability or benefits for the blind under Title I, II, X, XIV, or XVI of the Social Security Act.
- Certified for, but not actually receiving SSI or RSDI, are considered a participant with a disability when they present an SSA Disability Notice or when they have been approved for **any** of the following:

SSI presumptive disability payments

SSI emergency advanced payments

NOTE A participant may remain certified for disability benefits when their checks are entirely recouped to recover an overpayment. When this is the case, the participant meets the disability criteria.

- Receives long term disability payments from the Arizona State Retirement System (ASRS).
- Is a veteran with a service connected or nonservice connected disability. The Veterans Administration (VA) would have rated the disability as total or paid as total under Title 38 of the U.S. Code.
- Is a veteran that the VA considers to be in need of regular aid and attendance, or permanently housebound under Title 38 of the U.S. Code.
- Is a veteran's surviving [spouse\(g\)](#) and considered in need of aid and attendance or permanently housebound under Title 38 of the U.S. Code. (There is no requirement that they receive payments from the VA.)
- Is a veteran's surviving spouse or child who the VA considers to be entitled to benefits for a service-connected death or pension benefits for a nonservice connected death under Title 38 of the U.S. Code. In addition, the surviving spouse or child has a disability considered to be permanent under Section 221(i) of the Social Security Act. There is no requirement that the survivor actually receive

entitled VA benefits.

NOTE Entitled to benefits means they are approved for the benefits, whether they are or are not receiving the benefits yet.

- Receives disability retirement benefits from a federal, state or local government agency because of a disability considered permanent under Section 221(i) of the Social Security Act.
- For participants to be considered disabled under Section 221(i) of the Social Security Act, verification of the disability is required. The SSA's list of permanent disabilities can be located by completing an online search for Listing of Impairments.
- Receives a disability annuity under Section 2(a)(1)(v) of the Railroad Retirement Act of 1974 and meets **any** of the following conditions:
  - Has been determined eligible for Medicare by the Railroad Retirement board.
  - Is considered a person with a disability based on the criteria used under Title XVI of the Social Security Act.
- Receives Medicare under Title XIX, Part A of the Social Security Act.
- Receives disability compensation through the Federal Employee Compensation Act (FECA).
- Approved for AHCCCS Long Term Care System (ALTCS).

Elderly participants and participants who have a disability may participate as a separate NA case when they have a disability that prevents them from purchasing and preparing food separately from other participants in their home.

NA participants who are elderly or have a disability, receive the following considerations:

- A special resource limit.
- A deduction for medical expenses when their medical expenses are more than \$35 per month.
- A deduction for the entire amount of their excess shelter expenses. Their NA case has no maximum shelter limit.
- They are not subject to the Gross Income Standard.

NOTE Separate NA budgetary units, who live with participants that are elderly or participants with a disability who are unable to buy and cook food alone, are subject to the Elderly or Disabled Gross Income Standard at 165% of Poverty Level. (For more information, see [Optional NA Participants](#).)

- They are exempt from work registration. For work registration exemptions, see [NA Work Requirement Exemptions](#).
- Elderly participants may be eligible to receive NA under a group living arrangement (GLA) when living in federally subsidized housing for the elderly.

- Participants with a disability may be eligible when living under a [GLA\(g\)](#).

FAA calculates NA benefits using specific rules when the NA case includes someone who is elderly or has a disability. Special considerations do not apply to participants who are disqualified from NA participation for any reason.

### Foster Care - NA Budgetary Unit

Foster care participants are not eligible to receive NA as separate budgetary units.

The NA budgetary unit has the option to include the foster care participant in their budgetary unit. This applies even when the foster care participant is related to the NA participant.

NOTE When the foster care participant is included in the budgetary unit, foster care payments are countable income.

### Homeless Budgetary Units

A [homeless\(g\)](#) budgetary unit may live in a temporary shelter for the homeless, a halfway house, or similar [facility\(g\)](#).

A homeless budgetary unit residing in a public or private nonprofit shelter where up to three meals per day are provided, can apply, and be found eligible for NA.

Special considerations for homeless budgetary units include, and not limited to, **all** of the following:

- Exempt from ABAWD Work Requirements
- Qualify for the Restaurant Meals Program
- Allowed the NA Homeless shelter deduction instead of the excess shelter deduction when it is to the benefit of the budgetary unit

NOTE When making a determination for a homeless budgetary unit that has shelter expenses, it is important to look at both the homeless shelter deduction and also the excess shelter deduction to determine which is more beneficial for the budgetary unit. The homeless shelter deduction is already a factor in the Standard Utility Allowance (SUA). Documentation must support the deduction given.

Allowable shelter expenses for homeless budgetary units include, and are not limited to, **all** of the following:

- Rent and taxes on a motel or hotel room
- Fees for a campground space
- Vehicle insurance (both comprehensive and collision are allowable) when the participant is living in the vehicle
- Vehicle payments when the participant is living in the vehicle

NOTE License plate fees on a vehicle that the participant is living in is not an allowable expense. For more information about allowable expenses, see [Shelter Expenses and Deduction](#).

For NA, when the homeless budgetary unit is temporarily living with others, **one** of the following applies:

- When the homeless participant states they are planning on residing in the home for less than 90 [calendar days\(g\)](#), and that they buy and prepare food separately from those with whom they are temporarily residing, they are granted separate budgetary unit status.

NOTE The 90 calendar days does not apply when the participant states they are temporarily residing in an unauthorized [institution\(g\)](#). For more information, see [Residents of Institutions for NA](#).

- When a budgetary unit continues to live in the same residence for 90 calendar days or more, the budgetary unit is not considered homeless.

Certain budgetary units are required to apply together. See [NA Participation](#) for more information on who is required to be included in the budgetary unit.

A Homeless Meal Provider is a public or private nonprofit establishment which feeds homeless persons. This includes, and is not limited to, soup kitchens and temporary homeless shelters. When the establishment receives donated food items from the U.S. Department of Agriculture, the establishment must also purchase and serve other food.

A homeless budgetary unit can use their NA benefits to purchase prepared meals in **any** of the following:

- Shelters
- Soup kitchens
- Other public or private nonprofit establishments that feed the homeless

A homeless participant needs to have a valid mailing address in order to receive important communications from FAA. When the homeless participant cannot receive mail at the address of a friend or family member, their mail is sent to a valid United States Postal Service (USPS) General Delivery location.

NOTE Permission to use an unauthorized institution address for mailing purposes only needs to be verified by the facility.

### **Migrant Farm Workers**

A migrant farm worker is a person who travels away from home on a regular basis to seek work in a field related to agriculture. Consider migrant farm workers in the work stream from the time they leave their home until they return. Migrant farm workers are exempt from NA work requirements when they meet **any** of the following criteria:

- They are in the work stream.
- They are under contract to begin work within 30 calendar days.

Migrant worker budgetary units may have income that is averaged on an annual basis or averaged over the period the income is intended to cover. FAA determines how the income is budgeted and whether the migrant worker budgetary unit is destitute.

The budgetary unit is considered a migrant farm worker budgetary unit when any

participant is engaged in migrant farm labor during the approval period.

Migrant farm worker budgetary units may be eligible for NA expedited services and have verification postponed.

Migrant farm workers are considered as seasonal farm workers when **all** of the following apply:

- They are in the work stream
- They are in their home project area

For more information, see [Seasonal Farm Workers](#).

For CA, migrant farm workers are considered residents of Arizona when **all** of the following apply:

- They are not receiving CA benefits in another state
- They live in Arizona at the time of application

### Seasonal Farm Workers

A participant is considered a seasonal farm worker when **all** of the following conditions are met:

- The participant is employed in agricultural work of a temporary nature.
- The participant is not required to be away overnight from their permanent place of residence.
- The participant is employed doing **any** of the following:

On a farm or ranch, performing work related to planting, cultivating, or harvesting. This includes loading trucks in the field and all farming activities normally required to plant, harvest, or produce.

The participant performs canning, packing, ginning, seed conditioning and related research or processing operations. The participant is transported to or from work by a day haul operation.

The budgetary unit is considered a seasonal farm worker budgetary unit when any participant is engaged in seasonal farm labor during the approval period.

Seasonal farm worker budgetary units may have income that is averaged on an annual basis or averaged over the period the income is intended to cover. FAA determines how the income is budgeted and whether the seasonal farm worker budgetary unit is destitute.

Seasonal farm workers are exempt from NA work requirements when they meet **all** of the following criteria:

- They are in the work stream
- They are under contract to begin work within 30 calendar days

For CA, seasonal farm workers are considered residents of Arizona when **all** of the

following apply:

- They live in Arizona at the time of application
- They are not receiving CA benefits in another state

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## Procedures

To correctly determine whether a participant meets the NA criteria for elderly or person with a disability, see [NA Special Considerations for Elderly or Have a Disability](#).

When a participant turns 60 years of age, AZTECS displays the NA case Type as Special (SP or SPE) on CAP2, FSAD, and FSBH.

Veterans may be rated as having total disability, yet not be paid 100% of VA benefits. Do not confuse the percentage of payment with a rating of disability in determining a disability status for NA.

When a participant turns 60, AZTECS sends the Request for Medical Expenses (X003) notice. When the X003 is returned, see [Effecting Changes](#). When there is no response to the X003, no action is required.

When documenting excess medical expenses, include enough detail so that a reviewer can determine the reasonability and accuracy of the calculated expenses.

Documentation includes **all** of the following examples when possible:

- The participant or participants who are entitled to the medical expense
- Date and type of verification requested
- Verification and source of the medical expense
- The reason the expense is not allowable or found questionable
- Any portion of a medical expense covered by a reimbursement
- The time period over which the expense is averaged
- Non-receipt of any requested verification

## Boarders Paying Reasonable Compensation

When the boarder is included in the budgetary unit, it must be determined whether the boarder pays reasonable compensation for meals. To determine whether a boarder is paying reasonable compensation for lodging and meals, consider only the amount paid for meals.

The boarder is paying reasonable compensation when **any** of the following apply:

- The boarder pays for more than two meals per day.  
The monthly amount paid must equal or exceed the maximum NA benefit amount for the appropriate budgetary unit size.  
The budgetary unit size includes the boarder and the boarder's spouse and children living with the boarder.
- The boarder pays for two or fewer meals per day.

The monthly amount paid must equal or exceed two thirds of the maximum NA benefit amount for the appropriate budgetary unit size.

The budgetary unit size includes the boarder and the boarder's spouse and children living with the boarder.

### Destitute Budgetary Units

Consider a migrant or seasonal farm worker budgetary unit destitute when it meets **one** of the following criteria:

- The budgetary unit receives terminated income for the application month but before the application date. Consider the income is from a terminated source when it meets **all** of the following conditions:

The income was received on a monthly or more frequent basis.

The income is not received again from the same source during the balance of the application month or during the following month.

NOTE When the income is received less than monthly, consider it terminated income when it is not received in the month it is normally received.

- The budgetary unit's income for the application month is from a new source. In addition, the budgetary unit expects receiving no more than \$25 from the new source by the tenth calendar day after the application date.

For renewals, the budgetary unit expects receiving no more than \$25 by the tenth calendar day after the budgetary unit's normal issuance of the new approval period. This applies when the budgetary unit turns in an application for renewal within the approval period.

Consider income as coming from a new source when not more than \$25 is received from the source within 30 calendar days before the application date. The income must be received on a monthly or more frequent basis.

Income may be received less often than monthly. Consider it from a new source when not more than \$25 is received within the normal interval between payments.

- The budgetary unit receives two sources of income and **all** of the following apply:

One source of income received was from a terminated source before the application date.

The other source of income received was from a new source after the application date.

The budgetary unit receives no other income in the application month. The budgetary unit expects receiving \$25 or less from the new source by the tenth calendar day after the application date.

For renewals, the budgetary unit expects receiving less than \$25 from the new source by the tenth calendar day of the normal issuance cycle.

Consider a farm worker's source of income to be the grower for whom the farm worker



works at a particular time. Do not consider the crew chief the farm worker's source of income.

A farm worker may travel with the same crew chief, but from one grower to another. When this occurs, consider the farm worker's source of income as new income instead of terminated.

When a farm worker receives a wage advance, the following apply:

- A farm worker may receive a travel advance that by a written contract is subtracted from future wages.
- Income from a wage advance for travel costs does not affect the following:
  - The determination of whether future payments are from a new source of income.
  - Whether the farm worker budgetary unit is considered destitute.

Farm worker budgetary units may have income that must be averaged on an annual basis or averaged over the period the income is intended to cover. Before determining whether a farm worker budgetary unit is destitute, complete the following:

- Average the income
- Assign the income to the appropriate months of the approval period

The averaged income may be applied to the application month. When it is not from a new or terminated source, do not consider the farm worker budgetary unit destitute.

### **Budgeting Destitute Budgetary Units Income**

When a migrant or seasonal farm worker budgetary unit is determined destitute, **all** of the following apply:

- Always count the income of a destitute migrant or seasonal farm worker in the month it is received.
- A farm worker budgetary unit may reapply after the case has been closed. Determine eligibility and benefit level counting only the income the farm worker budgetary unit received between the first day of the application month and the application date.

**NOTE** Do not count income for the application month that is received on or after the application date. Determine a farm worker budgetary unit eligible for expedited services when its liquid resources are \$100 or less.

### **Homeless Budgetary Units**

Do not allow separate budgetary unit status due solely to the participant's statement that they are homeless and living temporarily with others. Certain budgetary units must apply together. Discuss with the participant who they are temporarily living with. See [NA Participation](#) to determine who must be included in the participant's budgetary unit.

**NOTE** For NA, when the [homeless\(g\)](#) budgetary unit is living with others, verify living arrangements only when [questionable\(g\)](#) or [unclear\(g\)](#). Documentation in the

[case file\(g\)](#) must clearly support the reason information is considered questionable or unclear.

When the homeless participant states they buy and prepare food separately from those with whom they are temporarily residing, verification is not required, unless questionable. When questionable, complete **one** of the following:

- When the participant is in the FAA office, have the applicant sign a Separate Household Status Statement (FAA-0255A) form.
- When the participant is not in an FAA office, send the Separate Household Statement (F002) notice.

Documentation in the case file must clearly support the reason information is considered questionable.

Before considering a budgetary unit homeless due to temporarily living with others, discuss with the participant how long they are staying at the temporary residence. When the participant states that they are staying at the temporary residence less than 90 [calendar days\(g\)](#), the participant is considered homeless. Document the information in the case file.

NOTE The 90 calendar days does not apply when the participant states they are temporarily residing in an unauthorized [institution\(g\)](#). For more information, see [Residents of Institutions for NA](#).

A homeless budgetary unit may live in **any** of the following:

- A temporary shelter for the homeless
- A halfway house or similar [facility\(g\)](#)
- Temporary residence for less than 90 calendar days
- In a park or any temporary location

NOTE Before a homeless shelter or kitchen can be authorized to accept NA, FAA must certify to the Food and Nutrition Service (FNS) that the homeless shelter or kitchen provides meals to the homeless.

### Homeless Receiving Notices

A participant may be homeless, have a [non-traditional residential address\(g\)](#), or have a residential address without a valid USPS mailing address. Document the [case file\(g\)](#) with a participant's statement, including **all** of the following:

- A description of the location where the participant resides
- Directions to the location where the participant resides
- That the participant understands that FAA notices must be sent to a valid USPS General Delivery office

Permission to use an unauthorized [institution\(g\)](#) address for mailing purposes only must be verified by the [facility\(g\)](#) and documented in the case file.

## Verification

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

### Verification of Disability

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 identified the participant has a permanent disability or has already applied for other benefits.

The worker's documented observation that the participant has one of the disabilities listed in Social Security Administration's (SSA) most current list of permanent disabilities can be used for verification of disability. (To see SSA's most current list of permanent disabilities see <https://www.ssa.gov/disability/professionals/bluebook/>). The documented observation cannot include the medical condition of the participant.

**Any** of the following can be used to verify disability:

- Workers documented observation that the participant has one of the disabilities listed in SSA's most current list of permanent disabilities.
- Statement from a physician or licensed or certified psychologist certifying that the participant has one of the permanent disabilities listed by SSA.
- A statement from a qualified medical source.
- Documentation from SSA or the Veterans Administration (VA).

### Verification of Living Arrangements

Verification of living arrangements includes, and is not limited to **any** of the following:

- Group home records
- Landlord statement which includes signature and phone number of the landlord
- Manager
- Neighbors
- Other collateral contact sources who know the names of all persons living together

When the previous listed sources are not available, use **any** of the following secondary sources:

- Relatives
- Roommates
- School records

Verification of two or more separate NA budgetary units includes, and is not limited to **any** of the following:

- A completed and signed official application that includes a listing of all persons who purchase and prepare their food separately from the PI's NA budgetary unit.

- A completed and signed Separate Household Status Statement (FAA-0255A) form.
- A completed and signed Separate Household Statement (F002) notice.
- A participant's statement verifying who in the PI's home purchases and prepares food separately from the PI's NA budgetary unit.

### Homeless Shelter Expenses

Verification of homeless shelter expenses includes, and is not limited to **any** of the following:

- Receipts from rent and taxes on a motel or hotel room
- Receipts from fees paid for a campground space
- Vehicle insurance documents
- Payment booklet or receipts for a vehicle used as shelter

Separate Household Status Statement (FAA-0255A) form is used to verify separate purchase and prepare when residing with others.

See [Providing Verification](#) for different types of verification and how to provide it.

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### AZTECS Keying Procedures

Cases including a participant who is elderly or has a disability are identified by AZTECS as a special case in **any** the following ways:

- AZTECS recognizes elderly participants by their date of birth.
- AZTECS recognizes a participant with a disability when Y is keyed in the DS FS field on SSDO.
- AZTECS recognizes a participant with a disability when SI is keyed in the income type field on UNIN.

A special case displays SP (special) in the FS TYPE field on CAP2 in AZTECS. This ensures that AZTECS applies special rules for the case, such as calculating the budget and setting the NA approval period.

Homeless budgetary unit cases are identified in AZTECS as a special case when the Y is keyed in the HOMELESS field on INDA.

For more information on processing homeless budgetary units with an allowable shelter expense, see [Shelter Expenses and Deductions](#).

When the participant is homeless and cannot provide a valid mailing address, their mail must be sent to a United States Postal Service (USPS) General Delivery location.

See [Keying General Delivery on ADDR](#) for special keying instructions.

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### Legal Authorities

7 CFR 273.1(b)(3)(ii)

7 CFR 273.1(b)(4)

7 CFR 273.1(b)(7)

7 CFR 273.2(f)(1)(vi)

7 CFR 273.2(f)(2)

7 CFR 273.2(f)(4)(v)

7 CFR 273.2(n)(4)(i)(D)

7 CFR 273.9(d)(6)(i)

7 CFR 273.11(c)(1)

7 CFR 273.11(n)

7 CFR 273.11(s)

[Prior Policy](#)

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