06 CA Payment Standard - Overview

<u>REVISION 47</u> (01/01/19 - 12/31/19)

There are two payment standards for CA. CA payment levels are determined based on whether the participant has a shelter cost obligation, as follows:

- A1 (D1 for Grant Diversion) is used when the budgetary unit has an obligation to pay allowable shelter costs.
- A2 (D2 for Grant Diversion) is used when the budgetary unit does not have an obligation to pay shelter costs or is not eligible for the A1 Payment Standard.

EXCEPTION

The shelter cost obligation is not required for <u>Kinship Care</u> (KS), <u>Kinship Foster Care</u> (KF), <u>Legal Permanent Guardian</u> (LPG), and <u>Pascua Yaqui (PY) Tribal TANF</u>. Always identify the payment standard as A1 for KS, KF, LPG, and PY.

For procedures regarding verification of the payment standard, see <u>Payment Standard Verification</u>.

(See CA Income Standard for the payment standard amounts)

A A1 CA Payment Standard

<u>REVISION 47</u> (01/01/19 - 12/31/19)

The annual A1 payment standard is 36% of the 1992 Federal Poverty Level (FPL) for all CA programs. When the participant has an obligation to pay an allowable shelter cost, the A1 payment standard applies.

(See the A1 Standard Table - CA for the monthly payment standard)

Allow the A1 payment standard when any of the following apply:

• The participant is obligated to pay a shelter cost, including any of the following:

Homeowner association fees

Mobile home space or taxes

Mortgage

Property taxes (home or land)

Rent (home or land)

- The participant is the <u>leaseholder(g)</u> of a housing unit subsidized by a local, state, tribal, or the federal government.
 Federal government subsidy includes <u>negative rent</u>, credits, or cash allowances.
- The participant works in exchange for rent.
- The participant has shelter costs paid by a third party for fewer than three months.
- A participant in the military receives Basic Allowance for Housing (BAH).

NOTE Military allowances are shown on the Leave and Earnings Statement (LES) as additions and deductions.

- The participant who has the shelter cost obligation is in foreclosure action and the mortgage company will accept back payments.
- All Kinship Care, Kinship Foster Care, Legal Permanent Guardian, and Pascua Yaqui Tribal TANF cases. (No shelter cost obligation is required.)

NOTE A participant statement is acceptable as verification for the obligation to pay a shelter expense when no other verification is available at the time of the interview.

When an allowable shelter cost is verified, key EXNS as follows:

- Key A1 in the STD LVL field on EXNS. (Key D1 for Grant Diversion)
- Key the Expense Code and the amount next to the participant that has the shelter obligation.

NOTE When the CA participant pays rent to an NA participant in the same NA case, see <u>Housing Allowance</u>.

B A2 CA Payment Standard

REVISION 47

(01/01/19 - 12/31/19)

The annual A2 Payment Standard is 23% of the 1992 Federal Poverty Level (FPL) for all CA programs.

(See the A2 Standard Table - CA for the monthly payment standards)

The A2 Payment Standard applies to any of the following:

- The participant has no obligation to pay a shelter cost.
- The shelter costs are paid on an ongoing basis by a third party for three or more months in a row.

NOTE The payment must be made directly to the landlord, mortgage company, owner, or other lien holder.

(See <u>Vendor Payments</u>)

When the participant has no obligation to pay shelter costs, or fails to verify the cost, key A2 in the STD LVL field on EXNS. (Key D2 for Grant Diversion.)

EXCEPTION

The shelter cost obligation is not required for <u>Kinship Care</u> (KS), <u>Kinship Foster Care</u> (KF), <u>Legal Permanent Guardian</u> (LPG), and <u>Pascua Yaqui (PY) Tribal TANF</u>. Always identify the payment standard as A1 for KS, KF, LPG, and PY.