



*Commonwealth of Massachusetts*  
*Executive Office of Health and Human Services*  
*Department of Transitional Assistance*


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Governor

JOHN W. POLANOWICZ  
Secretary

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Commissioner

**Operations Memo 2014-16**  
**February 20, 2014**

**To:** Transitional Assistance Office Staff

**From:**  Lydia Conley, Acting Assistant Commissioner for Policy, Program and External Relations

**Re:** **SNAP: Standard Medical Deduction**

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**Overview**

In March 2008, the Department received a waiver of medical expense deduction rules from USDA's Food and Nutrition Service. This allowed the Department to provide a Standard Medical Deduction (SMD) to eligible elderly or disabled clients who verified more than \$35 in monthly medical expenses.

The SMD waiver has been renewed for an additional five years. One major change is that the SMD amount has increased from \$90 to \$155. This increase in SMD amount will increase the monthly benefit for many SNAP households and encourage participation by elderly/disabled households. In addition, SMD facilitates processing for case managers by streamlining the process of verifying medical expenses. Households that verify medical expenses greater than \$190 per month will be able to claim their actual monthly medical expenses.

**Purpose of Memo**

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This Operations Memo:

- discusses the conversion of cases with medical expenses on file;
  - issues case manager procedures for processing medical expenses at application; and
  - issues case manager procedures for processing medical expenses at recertification.
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**Obsolete**

Field Operations Memo 2008-15 is now obsolete.

**BEACON  
Changes and  
Conversion**

During the weekend of February 22, BEACON will recalculate SNAP benefits for all active cases currently receiving the SMD of \$90. These households will:

*Conversion from  
old Standard  
Medical Deduction  
to new Standard  
Medical Deduction*

- receive the new SMD of \$155;
- be sent a streamweaver notice (Attachment A) informing the household of the reason for the change in SNAP benefits;
- have the following language added in the narrative: *\$155 Standard Medical Deduction applied to FS calculation. March benefits recalculated;* and
- be listed on a report for informational purposes only. This report will be emailed to TAOs during the week of February 24, 2014.

*Conversion from  
Actual Medical  
Deduction to New  
Standard Medical  
Deduction*

Households on file with medical expenses greater than \$125 but less than \$190 which currently receive a medical deduction for actual expenses will also receive the new SMD and have their benefits recalculated. These households will:

- receive the new SMD of \$155;
- be sent a streamweaver notice (Attachment B);
- have the following language added in the narrative: *\$155 Standard Medical Deduction applied to FS calculation. March benefits recalculated;* and
- be listed on a report for informational purposes only. This report will be emailed to TAOs during the week of February 24, 2014.

*Actual Medical  
Expenses*

Ongoing households with medical expenses greater than \$190 will continue to receive a deduction equal to actual medical expenses on file minus \$35. These households are not impacted by the implementation of the new SMD amount and their benefits will not be recalculated, nor will they be sent a streamweaver notice.

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**Processing  
Applications  
with Medical  
Expenses**

At application, case managers must:

- inform eligible clients about verifying monthly medical expenses;
  - explain that only elderly or disabled households qualify for this deduction; and
  - enter all verified medical expenses on the Health Insurance and/or the Medical Expenses page, as appropriate.
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**Processing  
Applications  
with Medical  
Expenses  
(Continued)**

**Standard Medical Deduction**

**Example 1:** Mary Jones pays a health insurance premium of \$55 per month. She also spends \$12 on monthly prescription drugs. At the time of the application interview, Mary verified these medical expenses which are greater than \$35 per month. The case manager should enter \$55 on the Health Insurance page and \$12 on the Medical Expenses page under *Prescription /Medications*.

BEACON will automatically apply the SMD of \$155 for this household based on the cumulative amounts on the Health Insurance and the Medical Expenses pages.

**Actual Medical Deduction**

**Example 2:** Sally Brown pays health insurance of \$135 per month. She also spends \$58 on prescription co-payments. At the time of the application interview, Sally verified these medical expenses which are greater than \$190 per month. Accordingly, this amount entitles her to a deduction that is higher than the SMD of \$155. The case manager should enter \$135 on the Health Insurance page and \$58 on the Medical Expenses page under *Prescription /Medications*.

In the example above, BEACON will apply a medical deduction equal to the verified medical expenses minus \$35. The actual medical deduction will be \$158.

**Note:** BEACON rounds down each expense amount of 1 cent through 49 cents, while amounts of 50 cents through 99 cents are rounded up.

**Processing  
Recertifications  
with Medical  
Expenses**

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At recertification, case managers must discuss medical expenses with elderly or disabled clients. Case managers are urged to use the *SNAP Medical Deductions Job Aid* available in Policy Online/Job Aids. Using the job aid reminds case managers of certain medical expense items not readily identified as eligible medical expenses. The job aid also issues guidance on the application of one-time nonrecurring medical expenses and summarizes verification requirements.

The SNAP Medical Deductions Job Aid has been updated to reflect the SMD changes.

***Case managers must not request medical expense verifications from clients in the following situations:***

- If a client reports no change in medical expenses at recertification, the case manager must not request re-verification of those medical expenses.
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**Processing  
Recertifications  
with Medical  
Expenses  
(Continued)**

- If a client, who is being credited with the SMD, reports a change in medical expenses at recertification, and the medical expenses are more than \$35 but less than \$190, the client would continue to receive the SMD. The case manager must not request verification of medical expenses.
- If a client reports that his or her medical expenses have decreased to less than \$35 per month, or the client reports that he or she no longer has medical expenses, the case manager must remember to remove the medical expense amounts from the Health Insurance and/or the Medical Expenses pages and wrap up the change on BEACON.

***Case managers must request medical expense verifications from clients in the following situations:***

- If a client, who is being credited with the SMD, reports a change in medical expenses at recertification, and based on the amount (i.e. medical expenses are greater than \$190) the household would receive a deduction greater than the SMD, the case manager must ask the client to verify the medical expenses and enter the new expenses on the Health Insurance and/or the Medical Expenses page as appropriate. If the client fails to verify the new medical expenses, the client will continue to receive the SMD.

**Example:** Molly Reid applied for SNAP benefits last year; she verified \$80 per month in total medical expenses entitling her to the SMD. At recertification, Molly reported a significant increase in medical expenses due to her new prescriptions. She now claims to have approximately \$195 in monthly medical expenses. Molly must verify her medical expenses at recertification since she is now claiming an expense amount that would cause her to receive a deduction greater than the SMD.

- If a client, who is being credited with an actual medical deduction, reports a change in medical expenses at recertification, and the amount is now less than \$190 per month, the case manager must ask the client to verify medical expenses **only if** the expenses reported are questionable. As long as the remaining medical expenses total more than \$35, the client is eligible for the SMD.
  - If at recertification, a client claims medical expenses for the first time, the case manager must ask the client to verify the medical expenses and must enter the expenses on the Health Insurance and/or the Medical Expenses page as appropriate.
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**Processing  
Recertifications  
with Medical  
Expenses  
(Continued)**

Clients are not required to verify medical expenses at recertification unless they report changes that would cause their existing deduction to increase from SMD to actual medical deduction or if the medical expenses reported are questionable. In addition, since medical expenses are optional verifications for SNAP, clients who claim medical expenses but fail to verify the claimed medical expenses must not be denied or closed.

**IMPORTANT:** Notwithstanding these rules, at recertification, even when a client indicates that there are no changes in medical expenses, case managers must review existing medical expenses on file to determine if nonrecurring medical expenses were included in the medical deduction and whether or not this nonrecurring expense item needs to be removed from BEACON.

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**Job Aid**

The SNAP Medical Deductions Job Aid at Policy Online/Job Aids/SNAP [http://dtaonline/reference/curpol/jobaid/fs\\_medical\\_deductions\\_jobaid.pdf](http://dtaonline/reference/curpol/jobaid/fs_medical_deductions_jobaid.pdf) has been updated to reflect the SMD change.

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**Policy References**

106 CMR 361.610 (D)  
106 CMR 364.400 - 364.450  
106 CMR 366.620(C)

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**Questions**

If you have any questions, please have your Hotline designee call the Policy Hotline at 617-348-8478.

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75 Fountain Street CAN 710  
Framingham, MA 01702

**Important Notice - Read Carefully**  
**Este Mensaje Es Importante – Lea Cuidadosamente**

**Massachusetts Department of Transitional Assistance**

Mary Jones  
101 Main Street  
Framingham, MA 01702

Agency ID: 999999  
Framingham TAO - DTA

02/24/2014

**Standard Medical Deduction for Elderly or Disabled SNAP Clients**

Dear Mary Smith:

**Your SNAP Benefit is Changing.** Starting in March 2014, your SNAP benefit will go from \$220.00 to \$230.00. This includes the standard medical deduction change explained below and any changes in your household circumstances.

**Why is my Benefit Changing?** Under SNAP rules, households with verified medical expenses over \$35 per month get a “standard medical deduction” from their income. This increases your benefit amount. Our records show that your household currently receives the standard medical deduction.

The standard medical deduction is increasing. For most households with the standard medical deduction, this means a benefit increase in March.

**What You Need to Do.** You do not need to do anything at this time. Your benefits will automatically change in March.

**Questions?** If you have questions about this letter, call 617-999-9999 and ask for your case manager John Smith.

You may also call Recipient Services at 1-800-445-6604, if you have trouble reading or understanding this notice.

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Framingham, MA 01702

**Important Notice - Read Carefully**  
**Este Mensaje Es Importante – Lea Cuidadosamente**

**Massachusetts Department of Transitional Assistance**

Mary Jones  
101 Main Street  
Framingham, MA 01702

Agency ID: 999999  
Framingham TAO - DTA

02/24/2014

**Medical Expenses for Elderly or Disabled SNAP Clients**

Dear Mary Smith:

**Your SNAP Benefit is Changing.** Starting in March 2014, your SNAP benefit will go from \$220.00 to \$232.00.

**Why is my Benefit Changing in March?** Our records show your household has medical expenses. DTA uses medical expenses to calculate SNAP benefits. Your benefits are changing because of a new SNAP rule about how DTA calculates medical expenses for elderly and disabled people. Your new SNAP amount may also include other changes in your household circumstances.

**What You Need to Do.** You do not need to do anything at this time. Your benefits will automatically change in March.

**If You Pay Over \$190 in Monthly Medical Expenses.** Call your case manager if you pay over \$190 every month in medical expenses. It may mean a higher monthly SNAP benefit.

**Questions?** If you have questions about this letter, please call 617-999-9999 and ask for your case manager John Smith.

You may also call Recipient Services at 1-800-445-6604, if you have trouble reading or understanding this notice.