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DEPARTMENT OF HUMAN SERVICES**

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Commissioner

**Bulletin No. 4  
FA-10-02**

**To: All District, County and Area Offices  
Family Assistance Service Centers  
Division of Appeals and Hearings**

**From: Virginia T. Lodge, Commissioner**

**Date: March 5, 2010**

**Subject: Budgeting Child Support Pass-Through Payments for Food Stamps**

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Effective April 1, 2010, we will begin to prospectively budget child support pass-through payments for Food Stamps. Families First cases with child support will be handled like non-Families First cases that receive child support.

Caseworkers will determine and document anticipated pass-through payments as they do for regular child support payments made to non-Families First cases. When the monthly amount of the pass-through payment has been determined, document and code the payment with the code CSPT in the Food Stamp field on AEFMI.

Determining Child Support Pass-Through Payments

To determine pass-through payments, consider the amount already received by the household and any anticipated payments the household is reasonably certain will be received during the remainder of the certification period. Pass-through payments should not be counted if the amount that will be received, or when/if it will be received is uncertain. Pass-through payments received during the past thirty days can be used as an indicator of anticipated payments. However, past payments shall not be used for any month in which a change in payment has occurred or can be anticipated. Use TCSES to verify child support pass-through payments for current Families First recipients at application and renewal.

Pass-through payments should be averaged for cases when the receipt of payment is reasonably certain and the amount fluctuates. For households with pass-through payments that fluctuate, the caseworker must determine what is representative for the prospective period based on pass-through payments from

the prior period. At a minimum, at least two months or 8 weeks of known pass-through payments, or one month of a known payment that can be reasonably anticipated to be representative, is needed to determine average pass-through payments.

Households applying for Food Stamps and Families First

Initial applications for households applying for Food Stamps and Families First will not have a history of pass-through payments. If the household is receiving child support, caseworkers must determine if the household is eligible for child support pass-through payments based upon the household’s unmet need in the Families First budget. The unmet need is determined by subtracting the household’s Net Countable Income and the Families First grant amount from the Consolidated Need Standard.

If the household’s unmet need is greater than zero, the household is eligible for child support pass-through payments. The amount of the child support pass-through payment is the anticipated monthly amount of child support up to the unmet need amount.

**Examples**

Determining Unmet Need Amount

A three-person household has no countable income other than the Families First grant.

CNS	\$1,066.00
Countable Net Income	-\$0.00
Families First Grant Amount	- 185.00
Unmet Need	\$ 881.00

If the absent parent for this household pays \$400 in child support the child support pass-through payment will be \$400 because the unmet need is greater than the child support paid.

The same three-person household reports countable income.

CNS	\$1,066.00
Countable Net Income	-550.00
Families First Grant Amount	- 185.00
Unmet Need	\$ 331.00

If the absent parent pays \$400, the child support pass-through payment will be \$331.00 because the unmet need is less than the child support amount paid.

**NOTE:** If the grant is less than the maximum grant for the household size, there is no unmet need and no child support pass-through payment will be issued.

Child Support Pass-Through Payments are Uncertain

Child support has been ordered by the court but, no payments have been made and the household is not certain when or if payments will be made. Child support income cannot be anticipated and should not be counted.

Consistent Pass-Through Payments

A household consistently receives pass-through payments of \$30 each week. The anticipated monthly pass-through payment amount is,  $\$30 \times 4.3 = \$129$ .

Fluctuating Payments

A household is certain they will receive a weekly payment, but the amounts fluctuate.

Month	Amount	
3/1	\$30	
3/10	\$15	Add: $30+15+0+25 +30+15+0+25 = 140$
3/17	\$0	
3/28	\$25	Divide: $140 / 8 = 17.50$
4/01	\$30	
4/10	\$15	Multiply: $17.50 \times 4.3 = \$75.25$
4/17	\$0	
4/28	\$25	

The anticipated monthly pass-through payment for this household is \$75.25.

Ongoing child support pass-through payments should be counted like any other unearned income type. If the exact amount/month the income will be received is not known, only the portion which can be reasonably anticipated shall be considered as income.

If you have any questions concerning the information in this bulletin, please contact your local Field Management Staff.

VTL/LTG

Attachments

**(3) Rounding Truncating Procedures**

Cents for all types of income will be truncated when used in the budget calculations for Food Stamps.

Cents for all types of expenses will be included in the budget calculations and then dropped in the final budget step for Food Stamps.

Hourly wages will not be rounded prior to converting to gross weekly or gross monthly income. Use cents when computing the gross income. The ACCENT System will do the truncating procedure.

Example	
Client comes in with 8 paychecks	
232.44	289.67
222.66	212.32
198.33	199.78
210.54	205.89
for a total of \$1771.63 divided by 8 = \$221.45	
The amount entered on AEIEI or AEISE would be 221.45. The cent amount should always be entered into the ACCENT System.	

**(4) Income at Application**

**(a) Income in Application Month**

Base the eligibility and benefit level for the HH's submitting an initial application on its circumstances for the entire calendar month in which the application is filed. Use the income received by the HH members during the application month (i.e., income already received by the day of application plus any that is anticipated, with reasonable certainty, to be received in that month) to determine initial eligibility and benefit level.

**NOTE:** If the household's income is averaged, use the averaged amount for each month of the certification period, including the application month. (This does not apply to income from a new source when it was not received during the entire application month.)

When an active Families First recipient applies for Food Stamp benefits, the caseworker will need to consider the child support pass through payments already received by the household and any anticipated payments the household is reasonably certain will be received during the certification period to determine the anticipated monthly amount. Use these amounts to project the monthly amount of child support pass through income to be counted.

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## 1240-1-4-.17 Treatment of Income

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### (b) Effects of Changes During the Application Processing Period

A household may be eligible in the application month based on circumstances existing in that month, but ineligible in the subsequent month because of changes which occur. The household is entitled to benefits for the application month even when the processing of the application results in benefits not being issued/paid in the subsequent month.

#### Example

A family applied for FF/FS on the 20th of the month. Income was from earnings the first week of the month. The wage earner has been temporarily laid off and does not know when she will be called back to work. Based on income, eligibility for the application month exists. During the application processing, the wage earner is called back to work and one child leaves the home. Projected ongoing earnings cause ineligibility of the remaining household members. Benefits are to be granted for the application month even though they are paid in the subsequent month.

Similarly, a household may be ineligible in the application month based on circumstances existing in that month, but eligible in the subsequent month because of changes which occur. A new application is not required even though the request for assistance for the first month is denied.

#### Example

A family applies for Food Stamps on the 20th of the month. Income already received in that month causes ineligibility. However, the applicant presents an official notice that employment has been terminated effective the first of the next month. There is no other income available. The request for benefits in the application month is denied, but benefits are granted for the subsequent month without the completion of a new application.

Ongoing income from any and all sources is considered available to meet maintenance needs until such time as the recipient reports, or the agency discovers a change.

### (5) Anticipated Changes and Benefit Amounts

- (a) As a result of anticipating changes, the household's Food Stamp allotment for the month of application may differ from its allotment in subsequent months. The certification period established by the Caseworker should be for the longest possible period over which changes in the household circumstances can be reasonably anticipated. The household's allotment shall vary month to month within the certification period to reflect changes anticipated at the time of certification, unless the household elects the averaging techniques. If the recipient elects to average income, a change back to monthly adjustments cannot be made during a certification period.

## 1240-1-4-.17 Treatment of Income

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For initial certification and ongoing Families First cases, child support pass through payments will be budgeted prospectively. If the household is receiving child support, caseworkers must determine if the household is eligible for child support pass-through payments based upon the household's unmet need in the Families First budget. The unmet need is determined by subtracting the household's Net Countable Income and the Families First grant amount from the Consolidated Need Standard.

If the household's unmet need is greater than zero, the household is eligible for child support pass-through payments. The amount of the child support pass-through payment is the anticipated monthly amount of child support up to the unmet need amount.

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- (b) When changes in income are reported, great care must be taken to coordinate the action taken in Food Stamps and Families First. It must be carefully explained to the recipient that any change reported may affect the FF grant, which in turn, may affect the amount of his/her Food Stamp allotment.