

# **MI-WIC POLICY**

## **Eligibility/Certification**

### **2.0 Eligibility/Certification**

*Effective Date: 05/15/15*

#### **2.04 Income Determination**

**PURPOSE:** To outline the requirements for income eligibility in the WIC Program.

#### **A. POLICY**

1. Each local agency must document income and adjunct eligibility of for each applicant/client at every certification based on the applicant's/client's family size and income. Adjunct eligibility for the following Michigan Department of Health and Human Services (MDHHS) programs must be documented:
  - Medicaid/Healthy Kids/Healthy Michigan Plan
  - Food Assistance Program/SNAP/Food Stamps (FAP)
  - Family Independence Program (FIP)  
(See Policy 2.05, Income Guidelines, 2.06 Adjunct Income Eligibility and 2.08 Family Size.)
2. Applicants or members of families enrolled in adjunct eligible programs are required to make a verbal declaration of income, (for reporting purposes only) as well as provide documentation of enrollment. (See Policy 2.06 Adjunct Income Eligibility.)
3. Income must be documented at each certification. One of the following forms of documentation is required (See Policy Statement #13 Income Sources.):
  - a. Recent pay/check stub(s).
  - b. W-2 form and copy of the most current Federal income tax form (1040) filed.
  - c. Written verification such as a notarized statement, court order, etc., that confirms a person's cash income.
  - d. Self-declaration of income is allowed:
    - For Migrant workers
    - For Homeless persons who cannot provide proof of income
    - Where applicant's family works for cash and has no verifiable proof of income available
    - When an applicant is adjunctively eligible based on enrollment in:
      - Medicaid/Healthy Kids/Healthy Michigan Plan
      - Has presumptive eligibility for Medicaid through Healthy Kids or Healthy Michigan Program
      - FAP/SNAP
      - FIP
      - SSI
      - or is enrolled in a state or federally funded program that determines income to be equal to or less than 185% of poverty level

Note: Clients with self-declared income who are not adjunctively income eligible, but declare income, must sign a No Proof of Income Attestation form.

4. If an applicant possesses proof of income but did not bring it to the certification appointment, he/she must be certified. This will be considered a “short certification” (See 2.17 Certification Periods). In this instance, benefits may be issued for 30 days. Proof of income or adjunct eligibility must be provided for the certification period to continue and further benefits to be issued.
5. For those individuals who report no income, their signature on the Client Agreement provides attestation of no income. WIC staff must further screen these clients to verify no income or other support, for enrollment in MDHHS services and/or other monetary support as well as to identify additional services, if needed. (See Policy 2.07 Declaration of No Income)
6. Each local agency must implement the policy for income eligibility determination based on the most current income guidelines as announced by the State Agency. Applicants/clients paid only weekly, biweekly, semi-monthly or monthly income must not exceed the USDA interval income allowances. If a family receives income in varying intervals, their total income must not exceed the annual income for their family size, except when the client is adjunctively eligible. (See Policy 2.05 Income Guidelines.)
7. Applicants found ineligible for the WIC Program because economic criteria are not met, must be given a written Notice of Ineligibility along with an explanation of their right to a Fair Hearing. (See Policy 2.20 Notice of Ineligibility, Mid-Certification, Termination and Expiration of Certification.)
8. Infants and children receiving an Infant or Child Health/Nutrition Evaluation (IEVAL or CEVAL) are certified and are not to have income verified.
9. Transferring clients who have current proof of WIC Program eligibility do not need income verified or documented until their next certification.
10. Members of families who are migrant farmworkers must have income determined once every 12 months. If the previous certification is expired, the previous income determination date is still utilized if less than 12 months from previous income determination date. (See Policy 2.12 Migrant Family Eligibility.)
11. A family’s gross income cannot be reduced for any reason, including hardships, high medical bills, or childcare payments (except for self-employed clients, where adjusted net income is allowed). Overtime pay must be included in eligibility determination.
12. The local agency may consider the family’s income to determine which is the best indicator of income:
  - **Current:** The family’s current (past 30 days) rate of income (including overtime pay)
  - **Annual:** Families who qualify for this category may have variable incomes and include, but are not limited to, construction workers, farmers, seasonal

agricultural farmworkers, self-employed persons, and persons on extended leave due to illness or childbirth.

- Income over the past twelve months (can use “year to date income” annualized)
- Income as stated on the most current IRS 1040 tax form filed

- **Temporary Low Income:** Income that is below a family’s normal level due to infrequency or irregularity of employment. Families who qualify for this category include, but are not limited to, strikers and temporary or seasonal workers or those who are unemployed or on unpaid leave. In this case, current income is the income that would be available to the family in the next 30 days.

13. **Income Sources:** Income that must be considered in the determination of economic eligibility includes the following:

- a. Monetary compensation for services, including wages (with overtime), salary, commissions, or fees. Verify by having the applicant show a pay stub/electronic pay stub or a W-2 and IRS 1040 tax form, line 22. If self-employed or farm income-see 13-c.
- b. Military pay- Refer to 2.04A Income Eligibility Requirement-Military Pay for calculating military pay.
- c. Net income from farm and non-farm self-employment. Use most recently completed IRS tax return as a basis for calculating net income for both farm and non-farm self-employment income. Use the Adjusted Net Income (IRS 1040 tax form-line 37) figure for income eligibility determination.
- d. Social Security benefits/SSI. Verify by having the applicant provide a current statement of benefits which may be obtained from [www.socialsecurity.gov/myaccount](http://www.socialsecurity.gov/myaccount).
- e. Dividends or interest on savings or bonds, income from estates or trust, or net rental income. Verify dividend or interest income by having the applicant show IRS form 1040, line 8 or 9 and "Schedule B", if applicable. Verify income from estates, trusts or net rental income by having the applicant show IRS form 1040, line 17 and “Schedule E.”
- f. Public assistance or welfare payments. The applicant’s or any applicable member of the family’s adjunct eligibility for public assistance must be verified through current enrollment in Medicaid/Healthy Kids/Healthy Michigan Plan/Presumptive Eligibility, Food Assistance Program (FAP-Food Stamp/SNAP) or Family Independence Program (FIP/Temporary Assistance to Needy Families/TANF) enrollment (See Policy 2.06 Adjunct Income Eligibility). Record the verbal declaration of income. The value of Food Assistance Program (FAP/SNAP) benefits cannot be counted as income.
- g. Unemployment compensation (including Supplemental Unemployment Benefits/SUB pay). Verify by having the applicant show the Michigan

Unemployment Insurance Agency's Notice of Determination UA 1575 or Notice of Redetermination UA 1306 - Weekly Benefit rate or a check stub or deposit indicating the amount of unemployment or SUB pay benefits received or IRS form 1040, line 19. For clients receiving automated payments, the deposit must be verified through myaccount.chase.com, monthly statement or by calling 1-866-523-2122.

- h. Government civilian employee or military retirement or pensions or veterans' payments. Verify government pension, civilian or veteran's payments by having the applicant show a letter from the appropriate office indicating the amount received and the frequency of payment or IRS form 1040, line 16a.
  - i. Private pensions or annuities. Verify by having the applicant show IRS form 1040, line 16a.
  - j. Alimony or child support payments. Child support payments are considered as income for the family with whom the child lives. Verify by having the applicant show a copy of the court order indicating the amount. The frequency of payment can be determined from check stubs or Friend of the Court statements.
  - k. Regular contributions from persons not living in the household. Verify by having the applicant show a statement indicating the amount and frequency of payment from the contributor.
  - l. Net royalties. Verify by having the applicant show IRS form 1040, "Schedule E."
  - m. Other cash income. Other cash income includes, but is not limited to, cash amounts received or withdrawn from any source including savings, investments, trust accounts and other resources, which are readily available to the family. Verify by having the applicant show a statement indicating the amount and frequency of payment from the source from which the cash is coming. This category includes income derived on a regular basis (e.g., baby sitting) or on a one-time basis (e.g., lottery winnings).
14. **Income Exclusions:** Income not to be used in determining economic eligibility includes but is not limited to the following:
- a. Basic allowance for housing received by military services personnel residing off military installations or in privatized housing, whether on or off-base (See 2.04A Income Eligibility Requirement-Military Pay)
  - b. Cost of living allowance provided under 37 U.S.C. 405, to a member of a uniformed service who is on duty outside the contiguous states of the United States. (See 2.04A Income Eligibility Requirement-Military Pay)
  - c. The value of inkind housing and other inkind benefits.

# **MI-WIC POLICY**

## **Eligibility/Certification**

- d. Loans, not including amounts to which the applicant has constant or unlimited access.
- e. Payments or benefits provided under the following Federal programs or acts are excluded from consideration as income by legislative prohibition. The payments or benefits that must be excluded from income consideration include:
  - i. Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 91-646, Sec. 216, 42 U.S.C. 4636.
  - ii. Any payments to volunteers under Title I (VISTA and others) and Title II (RSVP, foster grandparents, and others) of the Domestic Volunteer Service Act of 1973. (Public Law 93-113, Sec. 404(g).
  - iii. Payments of volunteers under Section 8(b)(1)(B) of the Small Business Act (SCORE and ACE) (Public Law 95-510, Sec 101).
  - iv. Income derived from certain submarginal land of the United States, which is held in trust for certain Indian Tribes (Public Law 94-114, Sec.6).
  - v. Payments received under the Job Training Partnership Act (Public Law 97-300, Section 142[b]).
  - vi. Income derived from the disposition of funds to the (Michigan) Grand River Band of Ottawa Indians (Public Law 94-540, Sec.6).
  - vii. Payments received under the Alaska Native Claims Settlement Act (Public Law 100-241, sec 15).
  - viii. The value of assistance to children or their families under the National School Lunch Act as amended, (Pub. L. 94-105, sec. 9 (d), 42 U.S.C. sec. 1760 (e), the Child Nutrition Act of 1966 (Pub. L. 89-642, sec. 11 (b), 42 U.S.C. sec. 1780 (b)), and the Food Stamp Act of 1977 (Pub. L. 95-113, sec 1301, 7 U.S.C. sec. 2017[b]).
  - ix. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (Pub. L. 95-433, sec. 2, 25 U.S.C. 609c-1)
  - x. Payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-420, sec 6, 9 (c)
  - xi. Payments under the Low-income Home Energy Assistance Act, as amended (Public Law 99-125, sec. 504 (c). 42 U.S.C. sec. 8624(f)
  - xii. Student financial assistance received from any program funded in whole or part under Title IV of the Higher Education Act of 1965, including the Pell

Grant, Supplemental Educational Opportunity Grant, State Student Incentive Grants, National Direct Student Loan, PLUS, College Work Study, and Byrd Honor Scholarship programs, which is used for costs described in section 472 [1] and [2] of that Act (Public Law 99-498, sec 479B, 20 U.S.C. 1087uu).

The specified costs set forth in section 472 [1] and [2] of the Higher Education Act are tuition and fees normally assessed a student carrying the same academic workload as determined by the institution, including the costs for rental or purchase of any equipment, materials or supplies required of all students in the same course of study; and an allowance for books, supplies, transportation, and miscellaneous personal expenses for a student attending on at least a half time basis. Costs do not include room and board and dependent care expenses.

- xiii. Payments under the Disaster Relief Act of 1974, as amended by the Disaster Relief and Emergency Assistance Amendments of 1989 (Public Law 100-707, sec. 105(i), 42 U.S.C. sec. 5155 (d)).
- xiv. Payments received under the Carl D. Perkins Vocational Education Act, as amended by the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990 (Public Law 101-392, sec. 501, 20 U.S.C. sec. 2466d).
- xv. Payments pursuant to the Agent Orange Compensation Exclusion Act (Public Law 101-201, sec.1).
- xvi. Payments received for Wartime Relocation of Civilians under the Civil Liberties Act of 1988 (Public Law 100-383, sec. 105(f)(2), 50 App. U.S.C. sec. 1989b-4(f)(2)).
- xvii. Value of any child care payments made under section 402(g)(1)(E) of the Social Security Act, as amended by the Family Support Act (Public Law 100-485, sec. 301, 42 U.S.C. sec. 602(g)(1)(E)).
- xviii. Value of any “at-risk” block grant child care payments made under section 5081 of Public Law 101-508, which amended section 402(i) of the Social Security Act.
- xix. Value of any child care provided or paid for under the Child Care and Development Block Grant Act as amended (Pub L. 102-586, Sec. 8(b)).
- xx. Mandatory salary reduction amount for military service personnel which is used to fund the Veteran's Educational Assistance Act of 1984 (GI Bill), as amended (Public Law 99-576, sec. 303(a)(1), 38 U.S.C. sec 1411 (b)).
- xxi. Payments received under the Old Age Assistance Claims Settlement Act, except for per capita shares in excess of \$2000 (Public Law 98-500, sec. 8, 25 U.S.C. sec. 2307).

# **MI-WIC POLICY**

## **Eligibility/Certification**

- xxii. Payments received under the Cranston-Gonzales National Affordable Housing Act, unless the income of the family equals or exceeds 80 percent of the median income of the area (Public Law 101-625, sec. 522(i)(4), 42 U.S.C. sec. 1437f nt).
- xxiii. Payments received under the Housing and Community Development Act of 1987, unless the income of the family increases at any time to not less than 50 percent of the median income of the area (Public Law 100-242, sec. 126(c)(5)(A), 25 U.S.C. sec. 2307).
- xxiv. Payments received under the Sac and Fox Indian claims agreement (Pub. L. 94-189, sec. 6).
- xxv. Payments received under the Judgment Award Authorization Act, as amended (Public Law 97--458, sec. 4, 25 U.S.C. sec. 1407 and Public Law 98-64, sec. 2(b), 25 U.S.C. sec. 117b[b]).
- xxvi. Payments for the relocation assistance of members of Navajo and Hopi Tribes (Public Law 93-531, sec. 22, 22 U.S.C. sec. 640d-2l).
- xxvii. Payments to the Turtle Mountain Band of Chippewas, Arizona (Pub. L. 97-403, sec. 9)
- xxviii. Payments to the Blackfeet, Grosventre, and the Assiniboine tribes (Montana) and the Papago (Arizona) (Pub. L. 97-408, sec. 8 (d)).
- xxix. Payments to the Assiniboine tribe of the Fort Belknap Indian community and the Assiniboine Tribe of the Fort Peck Indian Reservation (Montana) (Pub L 98-124, sec 5
- xxx. Payments to the Red Lake Band of Chippewas (Pub. L. 98-123, sec. 3)
- xxxi. Payments received under the Saginaw Chippewa Indian Tribe of Michigan Distribution of Judgment Funds Act (Public Law 99-346, sec. 6[b][2]).
- xxxii. Payments to the Chippewas of Mississippi (Pub. L. 99-377, sec. 4 (b)).
- xxxiii. Payments received by members of the Armed Forces and their families under the Family Supplemental Subsistence Allowance from the Department of Defense (Public Law 109-163, sec. 608). See 2.04 Attachment A (Military Pay).
- xxxiv. Payments received by property owners under the National Flood Insurance Program (Pub. L. 109-64).
- xxxv. Combat Pay/Hazardous Duty Pay received by the household member (See 2.04A-Military Pay) under Chapter 5 of Title 37 or as otherwise designated by the Secretary.

15. **Income Reassessment:** Clients must be terminated in the middle of a certification period if not adjunctively eligible and a reassessment of their income exceeds the WIC guidelines and the client has more than 90 days left in his/her certification period. This may result from an increase in income and/or a decrease in family size.

This reassessment can only be performed if the client notifies the agency of changes in family size or income during the certification of other family members, or by other clients or interested parties. The agency must not solicit this information selectively or randomly. The WIC staff should tell each client at certification intake to notify the WIC Program when income or family size changes during the certification period. (See Policy 2.21 Mid-certification Income Assessment.)

[http://www.michigan.gov/mdch/0,4612,7-132-2943\\_4860-35199--,00.html#Children](http://www.michigan.gov/mdch/0,4612,7-132-2943_4860-35199--,00.html#Children)

### References:

- 7 CFR Part 246.7(d)
- WIC Policy Memorandum #99-4, dated 3/11/99 (Strengthening Integrity in the WIC Certification Process)
- WIC Policy Memorandum #2002, (WIC Income Eligibility Determinations for Households Affected by Privatization of On-Base Military Housing).
- WIC Interim Final Rule 3/3/08
- WIC Policy Memorandum #2010-02, dated 11/2/09 (Guidance for the exclusion of combat pay from WIC income eligibility determination -P.L. 111-80)
- WIC Policy Memorandum #2011-7, dated 6/8/11, Conversion Factors for WIC Income Eligibility Guidelines
- WIC Policy Memorandum #2013-3, dated 4/26/13, Income Eligibility Guidance
- SSI/Medicaid Eligibility: [http://www.michigan.gov/mdch/0,4612,7-132-2943\\_4860-35199--,00.html#Children](http://www.michigan.gov/mdch/0,4612,7-132-2943_4860-35199--,00.html#Children)

### Cross-references:

- 2.05 Income Guidelines
- 2.06 Adjunct Income Eligibility
- 2.07 Declaration of No Income
- 2.08 Family Size
- 2.12 Migrant Family Eligibility
- 2.17 Certification Periods
- 2.20 Notice of Ineligibility, Mid-Certification, Termination and Expiration of Certification
- 2.21 Mid-certification Income Assessment

### Exhibits:

- 2.04A Income Eligibility Requirement-Military Pay