



Food and
Nutrition
Service

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SUBJECT: Clarification on Characteristics of Broad-Based Categorical Eligibility Programs

TO: Regional Directors
Supplemental Nutrition Assistance Program
All Regions

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Broad-Based Categorical Eligibility (BBCE) is a complex area of Supplemental Nutrition Assistance Program (SNAP) policy and the number of States using BBCE has grown since the Food and Nutrition Service (FNS) last issued guidance on this topic. Given the nuances of this option and the dynamic nature of State operational policies and practices, FNS recognizes the potential for misapplication of policy as local programs adapt to changing circumstances. FNS is issuing this memorandum in an effort to clarify the characteristics of BBCE programs and the actions States must take to ensure compliance with statutory and regulatory requirements.

This policy memorandum reiterates policies outlined in earlier policy memoranda, most directly those issued on September 30, 2009, January 26, 2010, and January 31, 2011. This policy memorandum is not applicable to traditional cash categorical eligibility programs, it is only applicable to BBCE.

BBCE shall only be conferred to SNAP households who have received or were authorized to receive non-cash benefits or services from a Temporary Assistance for Needy Families (TANF) or State Maintenance of Effort (MOE) program that meets SNAP statutory and regulatory requirements. To this end, FNS would like to direct State agencies' attention to the following regulatory requirements, which are discussed in greater detail in the Questions and Answers Section.

- The TANF/MOE program that confers eligibility for SNAP must meet one of the four TANF block grant goals. A program meeting goals three and four must have a gross income test of no more than 200 percent of the Federal Poverty Guidelines (FPG).
- If the TANF/MOE program is less than 50 percent funded by TANF/MOE funds, the State must report to FNS the program it is using in order for that program to confer eligibility for SNAP.

- The TANF/MOE program that confers eligibility for SNAP must be a TANF/MOE program used to provide a non-cash benefit or service. The State agency must ensure that a household receives or is authorized to receive a non-cash benefit or service if it meets the program's eligibility criteria.
- The TANF/MOE program conferring eligibility must assess and verify the applicant's information against its own eligibility standards in accordance with applicable laws and Federal regulations.
- BBCE shall only be conferred to SNAP households who have been determined eligible for the TANF/MOE program and notified of that determination (i.e. receive or be authorized to receive the non-cash TANF/MOE benefit or service that confers eligibility).
- It is the responsibility of the State agency to verify information needed to determine benefit levels regardless of the TANF/MOE program used to confer eligibility.

State agencies should review BBCE statutory and regulatory requirements in order to ensure that the TANF/MOE programs conferring eligibility in their State are consistent with SNAP regulations. The following Questions and Answers Section may be helpful to State agencies in this review.

If you have any questions, please contact Leigh Gantner at leigh.gantner@fns.usda.gov.

/s/ Original signed on file

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Attachment

Questions and Answers

What is broad-based categorical eligibility (BBCE)?

BBCE is a policy that makes households categorically eligible for SNAP because they receive or are authorized to receive non-cash TANF/MOE funded benefits or services.

SNAP applicants found eligible for these non-cash TANF/MOE programs have certain eligibility factors deemed for the purposes of the SNAP eligibility determination. While a household may be found eligible through BBCE, the household must still qualify for a benefit in order to receive a SNAP allotment.

What types of programs can confer BBCE?

Non-cash TANF/MOE programs that confer BBCE must meet one of the four goals of the TANF Block Grant:

1. Assisting needy families so that children can be cared for in their own homes.
2. Reducing the dependency of needy parents by promoting job preparation, work, and marriage.
3. Preventing out-of-wedlock pregnancies.
4. Encouraging the formation and maintenance of two-parent families.

TANF/MOE programs that confer eligibility for SNAP have different characteristics depending on which of the TANF Block Grant goals the program is fulfilling.

Since goals one and two explicitly discuss serving “needy” families, SNAP regulations do not place a cap on the gross income limit of the TANF/MOE programs that could be used to confer eligibility, assuming they will serve low-income households. However, TANF/MOE programs used to confer SNAP eligibility meeting goals one or two must serve families. Regulations pertaining to non-cash TANF/MOE programs that meet goals one and two can be found at 7 CFR 273.2(j)(2)(i)(B) and 7 CFR 273.2(j)(2)(ii)(A).

Goals three and four do not explicitly mention income, so SNAP regulations require that TANF/MOE programs used to confer BBCE that further these goals must have a gross income limit of no more than 200 percent of FPG. Regulations pertaining to these programs can be found at 7 CFR 273.2(j)(2)(i)(C) and 7 CFR 273.2(j)(2)(ii)(B).

Does the State agency have to verify eligibility for the TANF/MOE program?

TANF/MOE programs that confer BBCE must include eligibility criteria, and verify applicant's information against these criteria in accordance with applicable Federal laws and regulations. In order for the household to be categorically eligible for SNAP, the TANF/MOE program used to confer BBCE must determine that the household is eligible for services or benefits and notify the household of this determination.

How are programs that confer BBCE implemented in the State?

The design of the TANF/MOE programs conferring eligibility is up to the State agency, provided the programs meet statutory and regulatory requirements. In many cases, State agencies use pamphlets, telephone numbers, or referrals to other programs as the service or benefit conferring eligibility.

The State agency must ensure that the TANF/MOE program that confers eligibility authorizes households to receive a benefit or service. Any concerns or questions that the State agency may have regarding TANF eligibility and verification requirements should be directed to the Department of Health and Human Services (HHS) as the agency responsible for TANF.

When is BBCE conferred?

The household becomes categorically eligible when the household "receives or is authorized to receive" services or benefits from a TANF/MOE program that confers eligibility. "Authorized to receive" means the household has been determined eligible for services or benefits and has been notified of this determination, even if the services or benefits have been authorized but not received, authorized but not accessed, suspended or recouped, or not paid because they are less than a minimum amount. Regulations regarding authorized to receive can be found at 7 CFR 273.2(j)(2)(iv).

Since many State agencies now use integrated eligibility systems to efficiently collect and process information for multiple programs, in practice households may be notified of their eligibility for the TANF/MOE program at the same time they are notified of their SNAP eligibility. The household is, therefore, categorically eligible for SNAP on the certification effective date for the TANF/MOE program. The household also need not receive the TANF/MOE funded service or benefit to be deemed categorically eligible for SNAP.

What are State agency reporting requirements to FNS on BBCE?

It is important to note that how the TANF/MOE program is funded has implications for how BBCE is implemented and State agency reporting requirements to FNS.

If a TANF/MOE program is more than 50 percent funded by TANF or MOE funds, then the State agency is required to deem eligibility for SNAP for those households who meet the eligibility requirements of the TANF/MOE program. This applies to programs furthering any of the goals of the TANF Block Grant. Regulations describing this requirement can be found at 7 CFR 273.2(j)(2)(i)(B) and 7 CFR 273.2(j)(2)(i)(C).

State agencies may, at their option, extend categorical eligibility to TANF/MOE programs that are less than 50 percent funded by TANF or MOE funds. In these cases, if the TANF/MOE program furthers goals one and two of the TANF Block Grant, then the State agency must inform FNS of the TANF/MOE program conferring categorical eligibility. If the TANF/MOE program furthers purposes three and four of the TANF Block Grant, then FNS must approve the program in order for it to be used to confer eligibility. Regulations describing this requirement can be found at 7 CFR 273.2(j)(2)(ii)(A) and 7 CFR 273.2(j)(2)(ii)(B).

What must the State agency document in the SNAP case file?

The State agency must document in the case file that the household was found categorically eligible. The State agency is not required to document that it provided the TANF/ MOE funded service or benefit.

What eligibility factors does SNAP deem under BBCE?

The eligibility factors that are deemed for the purposes of SNAP because of categorical eligibility status are resources, gross and net income limits, social security number, sponsored alien information, and residency of the applicant, as described in 7 CFR 273.2(j)(2)(v). The State agency must collect and verify factors relating to benefit determination that are not collected and verified by the TANF/MOE program if these factors are required to be verified according to the regulations in 7 CFR 273.2(f).

In a State with Simplified Reporting, when must the household report changes in their income?

The SNAP reporting requirements under Simplified Reporting apply regardless of categorical eligibility. Sections 6(c)(1)(D)(ii) and 5(c)(2) of the Food and Nutrition Act of 2008 require households to report if their gross income goes above 130 percent of the Federal Poverty Guidelines (FPG). Therefore, if a household is certified for SNAP with a gross income below 130 percent of the FPG, and that household's income goes above 130 percent FPG, then that household is required to report the change.

There are no statutory or regulatory provisions that require Simplified Reporting households certified above 130 percent of FPG to report income changes. Therefore, State agencies that have BBCE and certify households with gross income above 130 percent of the FPG have discretion as to whether or how many times a household must report a change in income.

In addition to the above SNAP reporting requirements, the TANF/MOE program may have its own reporting requirements to which the household must adhere. If the household is no longer eligible for the TANF/MOE program conferring BBCE, then the household will lose its categorical eligibility for SNAP. Whenever a household is no longer eligible for the TANF/MOE program conferring categorical eligibility, the State agency must reassess the household's SNAP eligibility in accordance with 7 CFR 273.12(f)(3). In practice, State agencies often have shared workers and integrated eligibility systems, so any changes regarding the household's eligibility for the TANF/MOE program and the household's categorical eligibility status for SNAP may be entered simultaneously.

Which households cannot be considered categorically eligible?

Households cannot be categorically eligible for SNAP if:

- Any member of that household is disqualified for an Intentional Program Violation in accordance with 7 CFR 273.16 or for failure to comply with monthly reporting requirements in accordance with 7 CFR 273.21;
- The entire household is disqualified because one or more of its members failed to comply with workfare in accordance with 7 CFR 273.7(m);
- The head of household is disqualified for failure to comply with the work requirements in accordance with 7 CFR 273.7;
- Any member of the household is disqualified under 7 CFR 273.11(m) by virtue of a conviction for a drug related felony.

The above households are subject to all of the SNAP eligibility and benefits provisions, including those found at 7 CFR 273.11(c), and cannot be reinstated on the basis of categorical eligibility provisions. Regulations concerning households that cannot be categorically eligible are found at 7 CFR 273.2(j)(2)(vii) and 7 CFR 273.2(j)(2)(viii).

Who cannot be considered a member of a categorically eligible household?

Categorically eligible households shall not contain the following members:

- An ineligible alien as defined in 7 CFR 273.4;
- A person ineligible under the student provisions in 7 CFR 273.5;
- A SSI recipient in a cash-out State as defined in 7 CFR 273.20;
- A person institutionalized in a non-exempt facility as defined in 7 CFR 273.1(b)(7)(vi);

- A person ineligible for SNAP because of failure to comply with a work requirement of 7 CFR 273.7.

Regulations concerning persons who cannot be members of categorically eligible households are found at 7 CFR 273.2(j)(2)(ix).

How does BBCE affect the Quality Control (QC) review?

The QC reviewer will check that the household was processed as a categorically eligible household, and that the eligibility worker documented categorical eligibility in the case file.

The QC reviewer need not review those elements of eligibility which are deemed by categorical eligibility, i.e., resources, gross and net income limits, social security number, sponsored alien information, and residency. The QC reviewer will also check that only allowable households were categorically eligible for SNAP and that income and resources of ineligible household members were counted in accordance with applicable laws and regulations (see questions above).

The QC reviewer is still required to determine the household's income for the appropriate budget or sample month in order to establish if an accurate amount of benefits was issued to the household.

If the household was not categorically eligible or the State agency failed to document in the case file that the household was categorically eligible, then the QC reviewer will assess the household's eligibility for SNAP against the normal SNAP eligibility provisions. Any resulting errors will be included in the SNAP error rate.