

## Advocate Tip Sheet: Outline of 3SquaresVT Program Changes

### Expanded Categorical Eligibility Effective January 1, 2009

1. On 1/1/09 the **gross income guidelines for eligibility increased** from 130% of poverty to 185% of poverty for most households. See the current gross income limit chart in the resource library.
2. On 1/1/09 the **asset test (resource limit) was eliminated** for most households. Previously, households faced an asset test of \$2,000, or \$3,000 for seniors (60+) and people with disabilities. This is no longer the case. Households with money in the bank and other resources may still qualify for benefits.
  - Households with a senior or person with a disability have no income limit, but if their income is over 185% of poverty, they must meet the \$3,250 asset test.
  - Retirement accounts such as IRAs and 401ks do not count as resources for any household.
  - Interest income from resources is counted as unearned income.
3. Vermont made these changes by granting households **categorical eligibility via the TANF** (Temporary Assistance to Needy Families) program:
  - In order for a household to be considered categorically eligible via TANF (and the increase in income limit and elimination of the asset test to take effect), it must receive a TANF funded service of some kind. The service that 3SquaresVT households receive is a referral to a wide range of services offered through the Agency of Human Services and its community partners.
  - The addresses of these websites have been added to the application form and now appear on every grant notice sent to participants.

#### ***Important to Remember:***

- All households must continue to meet other eligibility criteria, such as citizenship/immigration status, in order to receive benefits.
- Gross income determines eligibility. The net income (gross income minus allowable deductions) determines the monthly benefit amount.
- It is possible for a household to be eligible but receive a zero benefit because of the amount of their net income. There are still benefits to enrolling in the program because they would qualify for added benefits such as Lifeline/Linkup phone assistance and free school meals for their children.
- Households that are eligible at the higher income levels can claim all of the deductions for which they qualify.
  - For families with young children, this includes all child care costs.
  - For seniors aged 60 or older and people with disabilities, this includes allowable medical expenses.
- Households with children that receive the Vermont Earned Income Tax Credit, Reach Up, or Post Secondary Education benefits, and households that receive Supplemental Security Income (SSI) have no income limit and no resource limit to be eligible. They are categorically eligible for the program.