## United States Department of Agriculture

Food and Nutrition Service

3101 Park Center Drive

Alexandria, VA 22302-1500 **DATE:** May 19, 2008

**POLICY NO.:** FD-076: Food Distribution Program on Indian Reservations

(FDPIR)

**SUBJECT:** Categorical Eligibility

This memorandum provides clarification regarding households determined to be categorically eligible under FDPIR in accordance with provisions at 7 CFR 253.6(c)(2) and sections 4300-4320 of Food and Nutrition Service (FNS) Handbook 501. As defined at section 1110 of FNS Handbook 501, "categorical eligibility" means that certain households will be determined eligible to participate in FDPIR without consideration of income or resources, as long as the households meet all other eligibility criteria. This policy applies only to households in which all of the members are included in a federal public assistance (PA) grant (e.g., the Temporary Assistance to Needy Families (TANF) Program) and/or a Supplemental Security Income (SSI) grant. This policy does not apply to SSI recipients who live in a State where SSI "cash-out" has been implemented per section 3412 of FNS Handbook 501. General Assistance (GA) households may also be determined categorically eligible under specific circumstances (see section 3200 of FNS Handbook 501).

Section 5140 of FNS Handbook 501 requires Indian Tribal Organizations (ITO) and State agencies to take appropriate action when changes occur during the certification period that would affect a household's eligibility or level of benefits. In regard to categorically eligible households, ITOs/State agencies shall act on household changes during the certification period as follows:

- a. The ITO/State agency shall **not act** on any changes in income or resources as long as the household retains its status as a categorically eligible household.
- b. The ITO/State agency shall act on changes in non-financial eligibility criteria (e.g., the household no longer meets the residency criteria because it moved outside the approved service area).
- c. If a household loses its categorically eligible status during the certification period due to loss of eligibility for PA/SSI (or GA if applicable), the ITO/State agency must conduct an assessment of the household's eligibility for FDPIR, including verification of income and resources, to determine the household's continued eligibility for FDPIR for the remainder of the certification period.

The following examples illustrate the actions to be taken by the ITO/State agency if a categorically eligible household reports a change in income or resources during the certification period:

Example 1: A mother and two children receive TANF and FDPIR. The household receives a per capita payment and reports the income to both TANF and FDPIR. Since the household was certified as a categorically eligible household, the FDPIR certification worker does not act on the household's report of receipt of the per capita payment. There are no other changes in the household's circumstances and the receipt of the per capita payment does not change the household's eligibility for TANF. The household continues to be categorically eligible for FDPIR because of its eligibility for TANF.

Example 2: A mother and two children receive TANF and FDPIR. The household receives a per capita payment and reports the income to both TANF and FDPIR. Since the household was certified as a categorically eligible household, the FDPIR certification worker does not act on the household's report of receipt of the per capita payment. However, the household later reports to the FDPIR certification worker that its TANF benefits were terminated due to excess resources (i.e., the per capita payment). The household has lost its status as a categorically eligible household, so the FDPIR certification worker must reassess the household's eligibility for FDPIR for the remainder of the certification period. The FDPIR certification worker determines that the household's resources exceed the FDPIR resource limit, and must take immediate action to terminate the household's FDPIR benefits.

Since regularly scheduled per capital payments or other tribal revenue sharing payments may affect eligibility for PA/SSI (or GA if applicable), the ITO/State agency should consider the timing of those payments in determining the length of certification periods assigned to categorically eligible households.

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