

NEW YORK STATE  
DEPARTMENT OF SOCIAL SERVICES  
40 NORTH PEARL STREET, ALBANY, NEW YORK 12243

CESAR A. PERALES  
Commissioner



[An Administrative Directive is a written communication to local Social Services Districts providing directions to be followed in the administration of public assistance and care programs.]

**ADMINISTRATIVE DIRECTIVE**

TRANSMITTAL NO.: 85 ADM-9  
[Income Maintenance]

TO: Commissioners of Social Services

SUBJECT: Cooperative Cases (Danks v. Perales)

DATE: January 29, 1985

SUGGESTED  
DISTRIBUTION: Public Assistance Staff  
Food Stamp Staff  
Medical Assistance Staff

CONTACT PERSON: Any questions concerning this release should be directed to Patricia Monks, Bureau of Income Support Programs, by calling (800) 342-3715, extension 4-9348. Questions relating to medical assistance (MA) should be directed to your medical assistance county representative at extension 3-7581.

**I. PURPOSE**

The purpose of this directive is to advise local districts of a change in the method of budgeting public assistance (PA) needs in cooperative cases where no one in one assistance unit is legally responsible for anyone in the other assistance unit.

**II. BACKGROUND**

In a stipulation signed by the Department in settlement of the case of Danks v. Perales, the Department agreed to alter the method of budgeting needs in cases where non-legally responsible applicants/recipients share a dwelling unit and are eligible for separate grants of assistance. Formerly, Department policy required that allowances for items of need shared by the household members be prorated.

Under terms of the stipulation, allowances for fuel and shelter will generally continue to be prorated. However, the Pre-Added and Home Energy Allowances will not be prorated unless the members of the assistance units reside together as a single economic unit, generally sharing income and resources as though they were one family.

**FILING REFERENCES**

| Previous ADMs/INFs     | Releases Cancelled | Dept. Regs. | Social Services Law and Other Legal References | Bulletin/Chapter Reference | Miscellaneous Reference   |
|------------------------|--------------------|-------------|--|----------------------------|---|
| 83 ADM-52<br>76 ADM-17 |                    | 352.32(e)   |  | 134                        | NYSFSM, Sec<br>Letter to<br>Commissioner<br>6/25/84<br>G.I.S. Messag<br>6/19/84 |

DSS-296 ... EV. 8/82

- 2 -

This change does not affect the way in which income is budgeted in cooperative cases, nor does it affect the calculation of needs for cooperative cases in which at least one member of one assistance unit is legally responsible for at least one member of the other assistance unit.

### III. PROGRAM IMPLICATIONS

Local districts must rebudget cooperative cases where no one in one assistance unit is legally responsible for any one in the other assistance unit in accordance with the procedures set forth in this ADM. In addition, local districts must rebudget certain Aid to Dependent Children (ADC) cases which include an Essential Person who is neither a legally responsible relative nor a dependent of another member of the ADC case.

### IV. REQUIRED ACTION

#### A. Public Assistance Requirements

Local districts must use the following procedures in calculating the needs for cooperative cases where no one in one assistance unit is legally responsible for any one in the other assistance unit:

1. The Pre Added and Home Energy Allowances shall not be prorated unless the members of the assistance units reside together as a single economic unit, generally sharing income and resources as though they were one family. A single economic unit may be determined to exist if the heads of the assistance units state upon inquiry that all of the following are true with regard to the household's financial arrangements:
  - the assistance units pool substantially all income and resources; and
  - the assistance units purchase and prepare food together; and
  - the assistance units share the cost of other major household expenses, such as utilities, fuel, insurance, and car maintenance.

If the household heads state that some, but not all, of the above arrangements apply to their household, the assistance units must not be considered a single economic unit.

2. Except as specified in 83 ADM-52 ("Budgeting of Public Assistance Cases Facing Emergency Housing Situations"), allowances for shelter, water, and fuel shall be prorated among the assistance units sharing the same dwelling unit, regardless of whether the units form a single economic unit.
3. Allowances for any other recurring special need included in the standard of need shall not be prorated.

- 3 -

## B. Special Cases

### 1. ADC Essential Persons

Because of the change in the budgeting of cooperative cases, ADC households containing an Essential Person who is neither a legally responsible relative nor a dependent of another member of the ADC case will also have to be reexamined. In such cases the total amount paid to the ADC family must equal the amount the household would have received if the ADC Essential Person were budgeted as a separate cooperative case. In other words, although there is one ADC case, the grant may equal the amount received if there were two separate cases, one of which contained the Essential Person.

### 2. Home Relief (HR) Family Cases

Members of an HR Family Case are considered eligible for a single grant of assistance. An individual who does not meet one of the three definitions outlined below is not part of an HR Family Case and must be granted assistance as a separate, cooperative case.

- Parents and their children under the age of 21, where there is no ADC deprivation factor.
- Children under age 21 who are siblings and are not deprived of parental support and/or care.
- Legally married couples without any children.

## C. Notification Requirements

Cooperative cases determined to be residing as a single economic unit must be informed in writing of their right to have their budgets recomputed if, in the future, they change their household financial arrangements.

Two notices designed to comply with this requirement have been included as Attachments A and B to this directive. Each local district may choose which of the two notices it prefers to use to notify cases affected, or potentially affected, by this court decision. However, a local district must not use both notices simultaneously for different cooperative cases in the district. Whichever notice is chosen for use in a local district must be reproduced locally without textual change, unless written approval is obtained from the Department in advance.

### 1. Attachment A Notice

This notice complies with the minimal notification requirements of this court order, but is not designed to aid the local district in documenting or determining the appropriate budget for a cooperative case. If a district opts to use this version, the district must develop its own forms and procedures for obtaining the information and documentation necessary to support its budgeting decisions. If this option is chosen, the notice must be provided to individuals who meet the following definitions:

- 4 -

- the payee of any cooperative case determined to be residing as a single economic unit with any other cooperative case sharing the dwelling unit;
- the ADC payee and the essential person in any ADC case containing an essential person who is neither legally responsible for, nor the legal dependent of, any other member of the case and who has been determined to be residing with the ADC family as part of a single economic unit. A copy of the signed form must be retained in each of the case records.

## 2. Attachment B Notice

This notice serves a dual function:

- to assist the local district in determining and documenting whether the cases sharing a dwelling unit are a single economic unit; and
- to provide written notification to the public assistance recipients as required by the court order.

If this option is chosen, the notice must be obtained from all cooperative cases, except those in which an individual in one case is legally responsible for an individual in the other case(s). The notice must also be obtained from all ADC cases containing a non-dependent, non-legally responsible essential person. A copy of the completed, signed notice must be given to each payee and essential person in the dwelling unit, and a copy must be retained in each of the case records.

## D. WMS Implications

For cooperative cases in which no one in one assistance unit is legally responsible for anyone in the other assistance unit, ABEL Version IX may be used to prorate only shelter needs by input of an "S" in the Proration of Needs Indicator. A detailed explanation appears in ABEL Transmittal 84-5.

## E. MA Implications

Local districts shall use the revised policy and budgeting methodologies contained in this directive and GIS Message 84 IM/DC011 in all situations where the PA Standard of Need is used to determine medical assistance eligibility. This includes cases consisting of MA-HR related (FNP) individuals, persons applying under catastrophic illness provisions and those MA-Only (FP) individuals and families for whom the PA Standard of Need is greater than the MA income standard (76 ADM-17, Aitchison v. Berger).

For MBL purposes, when the PA standard of need must be determined per this directive, MA budgets should be done off-line.

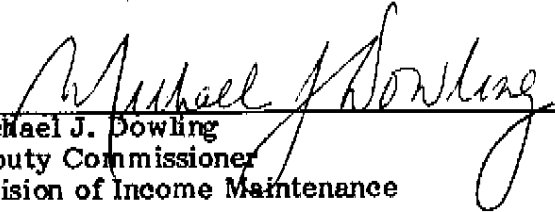
## F. Food Stamp Implications

For Food Stamp purposes, households which purchase and prepare meals together are with few exceptions treated as one food stamp household. For further information refer to the New York State Food Stamps Manual Section II and Consolidated Food Stamp Correspondence, February, 1983.

- 5 -

**V. EFFECTIVE DATE**

This release shall be effective February 1, 1985, retroactive to July 1, 1984. Current cooperative cases and ADC cases containing an essential person shall be examined at next contact or recertification to determine whether they are affected by changes outlined in this release. Any underpayment to such cases shall be refunded to the recipient retroactive to July 1, 1984.

  
Michael J. Dowling  
Deputy Commissioner  
Division of Income Maintenance

Attachments

## Attachment A

NOTICE TO RECIPIENTS

|                     |                   |
|---------------------|-------------------|
| _____<br>Payee      | _____<br>Case No. |
| _____<br>Payee/E.P. | _____<br>Case No. |
| _____<br>Payee/E.P. | _____<br>Case No. |
| _____<br>Payee/E.P. | _____<br>Case No. |

We, the above individuals, affirm that we and our dependents (if any) reside in the same dwelling unit as a single economic unit, generally sharing income and resources as though we were one family. We agree that the following is true about our household financial arrangements:

1. We pool substantially all of our income and resources together to meet household and individual expenses; and
2. We purchase and prepare food together; and
3. We share in the cost of other major household expenses, such as utilities, fuel, insurance, car maintenance, etc.

We understand that, because we reside as a single economic unit, our Public Assistance needs will be calculated as if we were one family, and the grant calculated in this manner will be divided proportionately among us. We further understand that we have the right to inform you of any future changes in our household financial arrangements and to have the amount of our grants recomputed.

Signed:

|                     |               |                  |
|---------------------|---------------|------------------|
| _____<br>Payee/E.P. | _____<br>Date |                  |
| _____<br>Payee/E.P. | _____<br>Date |                  |
| _____<br>Payee/E.P. | _____<br>Date |                  |
| _____<br>Payee/E.P. | _____<br>Date |                  |
| _____<br>Worker     | _____<br>Date | _____<br>Phone # |

If you have questions about the budgeting of your public assistance cases, please contact the above-named worker.

**NOTICE TO RECIPIENTS**PayeeCase No.Payee/E.P.Case No.Payee/E.P.Case No.Payee/E.P.Case No.

We, the above individuals, affirm that we and our dependents (if any) reside in the same dwelling unit. We agree that the following is true about our household financial arrangements:

1. We pool substantially all of our income and resources together to meet household and individual expenses; YES NO
2. We purchase and prepare food together; YES NO
3. We share in the cost of other major household expenses, such as utilities, fuel, insurance, car maintenance, etc. YES NO

We understand that if we answered "yes" to all of the three questions above, we will be determined to be living as a single, economic unit. Our Public Assistance needs will be calculated as if we were one family, and the grant calculated in this manner will be divided proportionately among us.

We understand that if we answered "no" to any of the three questions above, we will be determined not to be a single economic unit. Our Public Assistance needs (exclusive of shelter, heat and water, which will be divided proportionately) will be calculated as if we were separate families, and the grant calculated in this manner will be the basic grant for each family (except for allowances for shelter, heat and water, which will be added to this amount as appropriate for each family).

We further understand that we have the right to inform you of any future changes in our household financial arrangements and to have the amount of the grant recomputed.

Signed:

Payee/E.P.DatePayee/E.P.DatePayee/E.P.DatePayee/E.P.DateWorkerDatePhone #

If you have questions about the budgeting of your public assistance cases, please contact the above-named worker.