

SNAP *shots*

Maximizing the SNAP Medical Expense Deduction for Older Adults

The Supplemental Nutrition Assistance Program (SNAP) provides Americans struggling to make ends meet with much-needed assistance to purchase food for their families. Each month, SNAP helps 3 million low-income seniors (age 60+) put food on the table, with an average benefit of \$122/month. Unfortunately, only 34% of eligible older adults participate in SNAP, the lowest rate among all demographic groups.

One barrier to SNAP enrollment is the myth that older adults are only eligible for \$16/month in benefits. While it is true that some seniors would only be eligible for that amount, many are missing out on deductions that can help establish eligibility and also increase the value of SNAP benefits dramatically.

From \$16 to \$355 a month in SNAP

Georgia Legal Services Program (GLSP), an NCOA-supported Benefits Enrollment Center, launched a Benefits Hotline in 2012. Not long after, an elderly couple contacted the hotline; the husband was suffering with cancer and the couple had incurred thousands of dollars in medical bills. The couple had been receiving \$16 per month in SNAP benefits. They were frustrated and convinced that the hassle of the recertification process was not worth the \$16.

GLSP collected documentation of the couple's medical expenses and forwarded them to the Georgia Department of Human Services/Food Stamp office. A caseworker immediately increased the food stamps allotment from \$16 to \$355 per month—that's a savings of over \$4,000 a year!



Who is eligible and what expenses count?

Households with an older person (60+) or a person with a disability are eligible for the medical expense deduction, which allows the elderly/disabled to deduct monthly medical expenses beyond \$35 from their gross income, as long as they are not paid by insurance or someone else. There is no cap on this deduction up to the maximum benefit amount, making it extremely valuable for those with high medical expenses.

Currently, only about 14% of seniors enrolled in SNAP take the medical deduction, but 55% of SNAP-eligible seniors would qualify to use it. Even seniors enrolled in the Low-Income Subsidy for Medicare Part D (LIS) and Medicare Savings Program (MSP) may have unreimbursed out-of-pocket costs in excess of \$35 that would be eligible. Federal regulations allow many medically recommended procedures and supplies to count toward the medical deduction, including:

- Medical/dental care
- Hospitalization and nursing home costs
- Costs of health insurance premiums, deductibles, and co-pays (including Medicare)
- Dentures, hearing aids, prosthetics
- Costs associated with owning a service dog
- Eye glasses prescribed by an optometrist or specialist
- Transportation and lodging costs incurred to obtain medical treatment, including mileage (calculated at federal rate = 56.5¢/mile in FY13)
- Attendant, home health aide, homemaker, or child care services
- Over-the-counter and prescription drugs, vitamins, supplies, and equipment

Your state may specifically allow additional deductions, such as for medically prescribed alternative therapies (e.g., acupuncture) or home modifications (like wheelchair ramps and handrails), so be sure to check your local guidance. These allowable expenses are very similar to those for senior HUD housing and for

Medicaid spenddown, so if you are helping an older adult qualify for one of these programs, consider maximizing your efficiency and the consumer's benefit by collecting the relevant verification documents ONCE and using them multiple times.

How does the excess medical expense deduction work?

In order to qualify for SNAP, households with older adults or adults living with disabilities must meet the net income test of 100% of the federal poverty level (\$11,172 for a single person in 2013). Net income means gross income minus allowable deductions. Net income is very important because the deductions from gross income to net income establish both eligibility and amount of benefits.

The medical expense deduction is one way for seniors and adults with disabilities to maximize what counts toward meeting the net income test, and to ensure they are receiving all the benefits for which they are eligible. Other deductions take into account housing and utility costs, and there is also a standard deduction taken for every household.

Resources

To find your local SNAP office for more information or to file an application for SNAP benefits:

<http://www.fns.usda.gov/snap/outreach/map.htm>

To use NCOA's BenefitsCheckUp® SNAP Map:

<http://www.benefitscheckup.org/cf/snap.cfm>

To access NCOA's Nutrition Advocacy Toolkit:

<http://www.ncoa.org/public-policy-action/advocacy-toolkit/advocacy-toolkit-nutrition.html>

To view sample state (MA) medical expense regulations:

<http://www.masslegalservices.org/snap-medical>

State Standard Deductions

The Food and Nutrition Service of the U.S. Department of Agriculture regulates SNAP at the federal level. However, state SNAP agencies have some flexibility in how they manage the program. Some states even choose to use a different name for the program. For example, in California, SNAP is called CalFresh.

In order to decrease the demands on case managers and simplify the application process for older and disabled program participants, some states have requested flexibility from USDA (through the waiver process) to use a standard medical deduction when participants can show unreimbursed medical expenses over \$35.

However, even in these states, participants can still use the regular medical expense deduction process. While this process requires more paperwork, participants with higher healthcare costs may particularly benefit from taking all their out-of-pocket expenditures into account.

States that currently allow a standard medical deduction are: Arkansas, Illinois, Iowa, Kansas, Massachusetts, Missouri, New Hampshire, Rhode Island, South Dakota, Texas, Vermont, Virginia, Washington, and Wyoming.



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