
**DEPARTMENT
POLICY**

Most food assistance groups are assigned to the simplified reporting (SR) category. This reporting option increases Food Assistance Program (FAP) participation and provides workload relief.

REQUIREMENTS

SR groups are required to report **only** when:

- The group's actual gross monthly income (**not** converted) exceeds the SR income limit for their group size.
- The group receives a single lottery or gambling winning of \$4,250 or more.
- A mandatory TLFA participant is working less than 20 hours per week (80 hours a month).

No other change reporting is required.

If the group has an increase in income, the group must determine their total gross income at the end of that month. If the total gross income exceeds the group's SR income limit; see [Reference Tables Manual \(RFT\) 250](#), the group must report this change to the department by the 10th day of the following month, or the next business day if the 10th day falls on a weekend or holiday.

Once assigned to SR, the group remains in SR throughout the current benefit period unless they report changes at their semi-annual contact or redetermination that make them become a change reporter.

Note: Verified information must be acted on even though the group may not be required to report the information. Additionally, information from a prisoner or death match must be processed per Bridges Administrative Manual (BAM) [804, Incarceration Matches](#), and [BAM 808, Deceased Recipient Match](#).

SR does not change reporting requirements for any other program.

**GROUPS NOT
ELIGIBLE FOR SR**

The following groups are not eligible for SR:

- Migrants/seasonal farmworkers.
- Groups with a 24-month benefit period.
- MiCAP.
- Groups with a mandatory TLFA participant working less than 20 hours per week (80 hours a month).

These groups continue to report changes using the standard Food Assistance reporting criteria; see [BAM 105, Rights and Responsibilities](#), Bridges Eligibility Manual (BEM) [610, Migrants/Seasonal Farmworkers](#), and [BEM 618, Michigan Combined Application Project](#).

Note: TLFA individuals working 20 hours or more a week can remain a simplified reporter until their hours drop below 20 hours a week (80 hours per month). These individuals must report when their hours of work drop below 20 hours per week (80 hours a month).

DETERMINING THE INCOME LIMIT

To determine the group's SR income limit; see the Simplified Reporting Income Limit, column E, in [RFT 250](#).

Disqualified members are **not** included in the group size when determining the income limit. However, their budgetable income is included in the group's total gross income (either full or prorated based on the reason for the disqualification) when comparing to the income limit; see [BEM 550, FAP Income Budgeting](#).

NOTIFICATION

Bridges sends information about simplified reporting including the DHS-1045, Simplified Six Month Review, to groups assigned to the SR category at the following times:

- Application.
- Redetermination.
- When assigned to the SR category as an ongoing case.

Bridges sends the simplified reporting information which explains the reporting requirement and provides the gross monthly income reporting requirements for the group based on their circumstances at the time of issuance. The DHS-1605, Notice of Case Action, sent at application and redetermination includes the specific income limit for the group based on the group size. This information should be

emphasized during the interview with the client to ensure their understanding of the SR requirements.

ASSIGNING BENEFIT PERIODS

Applications and Redeterminations

Groups meeting the SR category at application and redetermination are assigned a 12-month benefit period and are required to have a semi-annual contact. For applications and redeterminations, SR begins the first month of eligibility.

Example 1: On March 19th, a group with earned income applies for FAP. The specialist processes the case on April 2. Benefits are approved beginning March 19. Bridges assigns a 12-month benefit period of March 19 through February 28. The MDHHS-1046, Semi-Annual Contact Report, is sent out the beginning of the fifth month (July) of the benefit period. It is due back from the client on the first day of the sixth month (August.) Complete the budget to affect no later than the seventh month's benefits (September). At redetermination, the group's reporting requirements are re-evaluated based on their current circumstances. The specialist completes a redetermination in February. The new 12-month benefit period is March 1 through February 28; see [BAM 210, Redetermination/Ex Parte Review](#).

Example 2: On September 8th, the specialist processes a September redetermination which currently has a 24-month benefit period. At this time, it is discovered the group is receiving a pension and is no longer eligible for a 24-month benefit period. The group is now SR and required to have a 12-month benefit period. They will receive an MDHHS-1046 at the beginning of February (fifth month).

Changes for 24-month Benefit Periods

Bridges shortens the 24-month benefit period for ongoing groups who have more than 12 months left in their benefit period and either:

- Report having earned income.
- Report unearned income (other than RSDI and/or SSI).
- Report an individual joining the group who is not SDV.

Whenever any of the above occur, Bridges does the following:

- Sets the end date to 12 full months from the processing date.
- Issues a DHS-1605 explaining simplified reporting, household income limit, and the new shortened benefit period end date.
- Issues a DHS-1045, Simplified Six-Month Review.

For groups whose 24-month benefit period has 12 months or less remaining at the time the change is first reported, Bridges assigns the group to the SR category, but does **not** shorten the benefit period. The current end date must be retained even though the end date is 12 months or less. If the group remains SR eligible at redetermination, Bridges assigns a new 12-month benefit period.

Example: On August 7, 2022, Risa reports her husband returned to the group and he receives unemployment income. They are change reporters and have a 24-month benefit period with an end date of May 31, 2023. On August 17, 2022, the specialist processes the change, and the group becomes SR. Bridges issues a DHS-1605 which provides the simplified reporting requirements, and a DHS-1045. The end date remains May 31, 2023, since the group has less than 12 months remaining in their benefit period.

Changes for 12-month Benefit Periods

Once assigned to the SR category, groups retain their 12-month benefit period regardless of changes, until the next benefit period is established.

If the group reports a change which would make the group a change reporter, they will remain a SR until the next semi-annual contact or redetermination. Their report status will change to a change reporter in:

- Month six for changes reported in months one through six of the benefit period.
- Month 12 for changes reported in months 7-12.

**PROCESSING
CHANGES AND
CASE ACTIONS****Benefit Increases/
Decreases**

Timely action (within 10 days or other time frame specified in policy) **must** be taken on **all** reported changes such as applying for another program, regardless of whether the client is required to report the change; see [BAM 220, Case Actions](#).

**Changes Reported
on MDHHS 1046**

When processing the MDHHS-1046, adequate notice is given for all discovered changes. These include changes such as automated system matches (consolidated inquiry, State On-line Query (SOLQ), and/or reported on the MDHHS-1046. Complete the budget to affect no later than the 7th month's benefits. Changes reported on the MDHHS-1046 and discovered through checking the automated system matches must be acted upon for all other programs according to case action policy in [BAM 220, Case Actions](#).

Note: Equifax Verification Services (formerly known as the Work Number) is **not** an automated system match which must be checked at application, redetermination, semi-annual or mid-certification contact. The client has primary responsibility for obtaining verification. However, if for example, verification of income is not available because the employer uses Equifax Verification Services and won't provide the employment information, it is appropriate to use Equifax Verification Services.

If the income information reported by Equifax differs from what the client reported, verification must be requested or a documented discussion with the client must be completed.

Do not deny or terminate assistance because an employer or other source refuses to verify income; see [BAM 130, Verification and Collateral Contacts](#).

**SPECIAL INCOME
CONSIDERATION**

Income considered unpredictable such as on-call hours remain budgeted until, based on reporting requirements, the client determines a change should be reported, or the next redetermination/semi-annual contact, whichever occurs first.

Contractual income that is ending prior to the benefit period end date will be considered verified upon initial report. Because the income is averaged over the period it is intended to cover, the end date has already been verified. Post a follow-up to remove the income for the subsequent month.

If the group reports their gross income exceeds the Simplified Reporting Income Limit column in [RFT 250](#), but they remain eligible, they will be advised they are not required to report any other changes in income until their next redetermination/semi-annual contact.

**LOSS OF
EMPLOYMENT**

Specialists must investigate the loss of employment at redetermination/semi-annual contact to determine if a voluntary quit has occurred. If the individual does **not** meet the work requirement or good cause does **not** exist, a minimum one-month disqualification must be served; see [BEM 233B, Failure to Meet Employment Requirements: FAP](#).

**OVERISSUANCE/
UNDERISSUANCE
AND SR**

The only client error overissuances related to simplified reporting that can occur for FAP groups in SR are when the group fails to report that income exceeds the group's SR income limit, or the client voluntarily reports inaccurate information. For failure to report income over the limit, the first month of the overissuance is two months after the actual monthly income exceeded the limit. Groups report if their actual income for a month exceeds the Simplified Reporting Income Limit column in [RFT 250](#). QC uses the actual income when determining whether a client should have reported; see [BAM 715, Client/CDC Provider Error Overissuance](#).

Example: The group's income for September exceeded the SR income limit. The group should have reported this by October 10th.

The decrease would have been effective in November. November is the first month of the overissuance.

SR does **not** affect client errors that occur at application and re-determination. SR does **not** affect the determination of agency error overissuances.

OQA AND SR

To review a case under simplified reporting rules rather than change reporting rules, the following must be true:

- The case must be an SR eligible group; see *Requirements or Groups Not Eligible for SR* in this item.
- The benefit period must be properly set; see *Assigning Benefit Periods* in this item.

LEGAL BASE

7 CFR 273.12