

Secretary of State  
**CERTIFICATE AND ORDER FOR FILING TEMPORARY ADMINISTRATIVE RULES  
and  
STATEMENT OF NEED AND JUSTIFICATION**

I certify that the attached copies are true, full and correct copies of the TEMPORARY Rule(s) adopted on  
February 1, 2017 by the

Department of Human Services, Office of Self-Sufficiency Programs			461
<b>Agency and Division</b>			<b>Chapter Number</b>
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to become effective February 1, 2017 through July 30, 2017.\*

*\*Temporary rules are effective for a maximum of 180 days including the effective date.*

**Rule Caption:** *Amending rule relating to medical deduction for SNAP clients*

**In the Matter of:** *Temporary amendment of OAR 461-160-0430*

**AMEND:** 461-160-0430

ORS 409.050, 411.060, 411.070, 411.816

**Stat. Auth.**

7 CFR 273.9(d)(3)

**Other Auth.**

ORS 409.010, 409.050, 411.060, 411.070, 411.816, 411.825, 411.837

**Stats. Implemented**

## Rule Summary

The Department is amending OAR 461-160-0430 to benefit SNAP clients who are elderly or have disabilities by changing how the Department determines the medical deduction allowed for them, consistent with an approved waiver from the Food and Nutrition Service (FNS) so these clients qualify for additional food benefits to meet their needs. Under the amended rule, to determine the allowed deduction, the Department will first subtract \$35 from the total unreimbursed medical expenses. Then, for amounts between \$0.01 and \$170.01, \$170 will be

deducted from income or, for amounts over \$170, the full cost amount will be deducted from income.

The rule text showing changes is available at [http://www.dhs.state.or.us/policy/selfsufficiency/ar\\_recent.htm](http://www.dhs.state.or.us/policy/selfsufficiency/ar_recent.htm).

## Need for the Rules

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The Department needs to amend OAR 461-160-0430 to ease administrative burden on the Department and encourage SNAP clients who are elderly or have disabilities to take advantage of the deduction for unreimbursed medical expenses and qualify for additional food benefits to meet their needs. This deduction is currently under-utilized. The Department is addressing these needs by implementing its recently obtained waiver. Under the amended rule, to determine the allowed deduction, the Department will first subtract \$35 from the total unreimbursed medical expenses. Then, for amounts between \$0.01 and \$170.01, \$170 will be deducted from income or, for amounts over \$170, the full cost amount will be deducted from income.

## Documents Relied Upon

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Standard Medical Deduction Waiver Request from Department to FNS Western Region, June 30, 2016, is available from the Hearings and Rules Unit, 500 Summer St. NE E-48, Salem, OR 97301

## Justification of Temporary Rules

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The Department finds that failure to act promptly by amending OAR 461-160-0430 will result in serious prejudice to the public interest, the Department, and SNAP clients who are elderly or have disabilities. The Department needs to proceed by temporary rule to implement the new standard deduction approved by FNS because the change will immediately benefit SNAP clients who are elderly or have disabilities who will qualify for additional food benefits to meet their needs. Additionally, the Department will immediately benefit from the simplified process which will reduce eligibility determination errors.

- (1) Deductions from income are subtracted from *countable* (see OAR 461-001-0000) income (see OAR 461-140-0010) in the following order to determine *adjusted income* (see OAR 461-001-0000) for the SNAP program:
  - (a) An earned income deduction of 20 percent of *countable* earned income. The 20 percent deduction is not taken from the wages funded by grant diversions such as Work Supplementation wages.
  - (b) A standard deduction of:
    - (A) \$157 per month for a *benefit group* (see OAR 461-110-0750) of one, two, or three individuals.
    - (B) \$168 per month for a *benefit group* of four individuals.
    - (C) \$197 per month for a *benefit group* of five individuals.
    - (D) \$226 per month for a *benefit group* of six or more individuals.
  - (c) A dependent care deduction for dependent care costs billed to a member of the *filing group* (see OAR 461-110-0370) and not paid for through any other program of the Department. For the cost to be deductible under this section, the care must be necessary to enable a member of the *filing group* to--
    - (A) Accept or continue employment;
    - (B) Seek employment, including a job search that meets the requirements of a *case plan* (see OAR 461-001-0020); or
    - (C) Attend vocational or educational training. A student receiving educational income is entitled to a deduction only for costs not excluded from educational income by OAR 461-145-0150.
  - (d) The medical deduction for *elderly* (see OAR 461-001-0015) individuals and individuals who have a *disability* (see OAR 461-001-0015) in the *filing group*. The deduction is calculated by determining the total of their deductible medical costs (see OAR 461-160-0415) and subtracting \$35. ~~The remainder is the medical deduction. The Department uses that resulting amount to determine the allowable deduction as follows:~~
    - (A) For an amount less than \$0, no deduction is allowed.

(B) For an amount greater than \$0, but less than \$170.01, a deduction of \$170 is allowed.

(C) For an amount greater than \$170, a deduction of the amount determined under this subsection ~~(1)(d)~~ of this rule is allowed.

- (e) A deduction for child support payments (including cash medical support) a member of the *filing group* makes under a legal obligation to a *child* (see OAR 461-001-0000) not a member of the *filing group*, including payments for the current month and for payments on arrearages. Child support is not deductible if collected by setoff through the Oregon Department of Revenue or by interception of a federal tax refund.
- (f) A shelter deduction, calculated as follows:
- (A) For SNAP *filing group* members required to pay room and board in a *nonstandard living arrangement* (see OAR 461-001-0000), the shelter deduction is--
- (i) The cost of room and board, minus the payment standard for the *benefit group*; or
  - (ii) The actual room cost, if the individual can prove that the room cost exceeds the cost described in subparagraph (i) of this paragraph.
- (B) For all other *filing group* members, the shelter deduction is calculated as follows:
- (i) The standard deduction and the deductions of earned income, dependent care, court-ordered child support, and medical expenses are subtracted from *countable* income. Fifty percent of the remainder is subtracted from the shelter cost calculated in accordance with OAR 461-160-0420.
  - (ii) The rounded balance is the deduction, except the deduction is limited if the *filing group* has no member who has a *disability* or is *elderly*. The limit is \$517 per month.
- (2) If a *filing group* member cannot verify a medical or court-ordered child-support expense or cannot verify any other expense when asked to do so, the unverified expense is not used to calculate the deduction. If the individual provides verification, the deduction is applied when calculating the next month's benefits. If verification is provided within the period authorized for processing applications (see OAR 461-115-0210), the benefits for the *initial month* (see OAR 461-001-0000) are recalculated using the deduction.

Stats. Implemented: ORS 409.010, 409.050, 411.060, 411.070, 411.816, 411.825, 411.837