SNAP Tiny Training:  
*Medical Deductions*

**The Who and What**

SNAP policy receives many questions about medical deductions each month. Here is a basic breakdown of who can receive this deduction and what is allowable.

**WHO**—The Who is simple: people who meet the SNAP definition of elderly or disabled. The SNAP definition of elderly is anyone who is aged 60 years or older. The SNAP definition of disabled (regardless of age) is a bit more complex. Here are some of the most common ways we identify disability for SNAP:

A person receiving

⇒ OSIPM (including Presumptive Medical)

⇒ SSI, SSD, SSB based on blindness

⇒ railroad or governmental benefits based on disability

⇒ VA disability rated at 100% (this can be service or non-service) related.

⇒ Veteran receiving Aid and Attendance benefits by the VA

There are other ways to meet the definition of disabled for SNAP. See [461-001-0015](#) for more.

**WHAT**—If you are wondering what types of things are allowable as medical costs, here is a rule that I am sure will make things clear:

“461-160-0055 (2) Medical costs are deductible to the extent a deduction is authorized in OAR 461-160-0415 and 461-160-0430 and in this rule.”

Super helpful—Right? We think so too. Basically what this is saying is that two things need to happen, the client needs to be eligible (the Who’s) and the cost needs to be allowable. This rule (461-160-0055) gives you very generalized lists of the types of things that would be eligible for deductions. We will cover this more in depth on page 3 of this training.

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**Have a Question?**

E-mail SNAP Policy at: SNAP.Policy@state.or.us

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**Points of interest**

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- Policy References are given on P4.
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Verification of Costs

All medical costs must be verified. No exceptions.

The service, medication, equipment or animals must be prescribed by or used under the direction of a licensed medical practitioner. Insurance premiums, supplemental insurance or Long Term Care insurance must also be verified. Verification must be in the file and the cost, frequency and eligibility for the deduction must be narrated.

We have received some questions about how often we need to verify medical deductions—we need to verify ALL medical costs (and frequency of use) at certification AND recertification and any unanticipated costs provided during the certification period. Federal regulations require this.

SNAP.B.11 has been updated with this clarification. The rule is in process of having this clarified as well.

Special diets or foods prescribed by a doctor cannot be allowed as a medical deduction. These things can be purchased with either SNAP benefits or a Medical Card.

Tiny Tidbits and Tooltips

Use the Medical Deduction worksheet (DHS 221MED) to help determine the allowable medical deduction.

SNAP Webtools is a helpful place, check it out at: http://www.dhs.state.or.us/training/foodstamps/webtools.htm

Anticipated VS. Unanticipated

Anticipated costs are costs that someone has on a regular basis. An example would be a monthly insurance premium. Unanticipated costs are costs that crop up during the certification that are unplanned. An example would be hospital stay for an illness or injury.

At certification and recertification, use a reasonable estimate of the persons anticipated medical expenses as the medical deduction. The estimate should be based on current medical expenses (including any medical insurance premiums) and any anticipated expenses based on the persons medical history. Verify the costs and code the entire anticipated or averaged monthly medical expenses amount on FSMIS.

If the person incurs and reports unanticipated medical expenses during the certification they can be added. The person can choose to use the full expense in the month after it is billed or becomes due, or to have the expense averaged over the remainder of the certification period. It should always be averaged if it would be beneficial to the person. Expenses that have been paid can be averaged on the case starting the month after it is paid. Unpaid medical expenses can be averaged beginning the month after the expense is billed.
Allowable Deductions

There are about a million different things that can be allowed as medical deductions. If you have a question about an allowable cost, please contact the policy unit. We will be able to tell you whether it is allowable or not.

Here are some general things to take into consideration:

Insurance

All health insurance premiums, deductibles and coinsurance. This includes EPD participant fees and Medicare premiums not covered by Medicaid.

Long-term care insurance premiums are deductible if the insurance will pay for services if an individual should need to receive waiver services, nursing facility services or should need to be in an intermediate care facility.

Caregivers and Attendants

The cost of maintaining an attendant, a home health aide, a housekeeper or dependent care services, including an amount equal to a one-person SNAP payment standard when the client furnishes the majority of the attendant’s meals.

Medication, Supplies and Services

Prescription, over the counter and naturopathic items can all be allowed if used under the direction of a physician or provider.

Services such as medical, dental, psychiatric, or outpatient treatment are allowable. Any cost for rehabilitation or hospitalization is allowable.

Medical Transportation

A reasonable cost of medical transportation and the cost of lodging needed to obtain medical treatment or services is allowed as long as it is not reimbursed. We need to use the same rate as approved by DMAP for the medical transportation.

Medical Marijuana

No. No. And No.

Recent clarification from Food and Nutrition Services (FNS) have been very clear on the subject. Oregon shall not allow any deduction for or related to medical marijuana.

Service Animals

This is such a hot topic we have a whole article on page 5!

Did You Know

- Medical deductions remain on the case unchanged for the entire certification period.
- Increased utility costs caused by medical equipment is not an allowable medical deduction. These costs are already covered in the utility deduction.
- Medical costs paid by credit card (even “medical” credit cards) are considered paid in full and ongoing payments are not allowed as deductions.
Accuracy Activity

This Accuracy Activity will help you validate, refresh and reset your student knowledge!

1. Only people who are elderly and disabled are eligible for medical deductions. True or False?

2. Once a calculation has been determined for the certification period, a client must wait until recertification to submit additional bills. True or False?

3. Ethel is 62 and her doctor has put her on a low sodium diet. As a result she has purchased special foods and is requesting the cost be included as a medical deduction. Can this be done? Why or why not?

4. Ricky is legally blind and has an assistance dog that has been specially trained to help him navigate when he is coming and going from work. The costs associated with the dog are an allowable part of Ricky’s medical deduction. True or False?

5. Fred is 70. He suffers from a variety of joint complaints. Recently his doctor suggested he start an exercise program. He joined the local gym and is now swimming three days a week. He has submitted bills for the $200 initiation fee plus $40/month member fee. Are these allowable costs?

6. Samantha (61) and Darrin (59) submit the following costs to you to use as medical deductions. Samantha reports that she and Darrin went to her doctor and he has prescribed some new medications for them. She reports that her doctor has prescribed 3 new RX drugs to her totaling $140. She also has some OTC medication that comes to $25 per month. The doctor placed Darrin on some new blood pressure medication that will cost $75 per month. What deductions will you allow?

7. Bill is not able to get to the pharmacy to pick up his medications so he pays his neighbor Betty $25 per month to pick up his prescriptions for him. Is this an allowable cost?
**Assistance and Service Animals**

This topic is a popular one in the SNAP Policy Box. This potential deduction includes the cost of acquiring these medically necessary animals, their training, food and veterinarian bills. There is no limit to the number of assistance animals a person has as long as the services are not being duplicated. Each assistance animal would need to provide a different service and meet all of the requirements.

We love animals...all shapes, all sizes, all breeds and species. While we love them, we cannot always justify allowing medical deductions to people for their animal companions.

In order to be able to allow a medical deduction the animal must meet several criteria:

- It must be prescribed by a medical professional. Otherwise, they are not considered medically necessary and we cannot allow their costs as a medical deduction.
- It must have been trained to assist the person with their specific disability.
- It must provide the service it has been trained for.

**What are they?**

Prescribed assistance animal, (such as a Seeing-Eye Dog, a Hearing Dog or Housekeeper Monkeys... yes that’s right we said Monkeys), that have received special training to provide a service to the client.

Unfortunately an animal, even if prescribed, that has not received training, specific to the person’s disability, would not meet the requirements and would not be allowed as a deduction. Here are some examples:

A Seeing– Eye dog trained to provide assistance—allowable.

A comfort cat that calms a person by letting that person pet it—not allowable.

**Special Training?**

Special training means the animal has been trained to do something for their owner that the animal would not normally know how to do.

The training needs to be related to providing a service the person needs due to their specific disability. Obedience training does not constitute special training.

**Questions to ask**

What disability created the need for the service animal?

What is the service animal providing that meets that need?

What is the training the animal received to be able to provide this service?

Do you have verification of the costs for the animal?
Accuracy Activity Answers (No Peeking!)

1. False. Medical deductions are available for people who are elderly or disabled.

2. False. If a client receives an unanticipated medical cost after their certification or recertification then we can allow the deduction for a new or increased cost but only if the amount is not past due, or is an amount carried forward from another billing period.

3. Ethel cannot count her low sodium special foods as a medical deduction. Medical supplies do not include special diets or foods that a doctor has prescribed. What Ethel may be able to do is use her SNAP benefits to purchase foods for her low sodium diet or purchase this food with her medical card.

4. True. Ricky can receive medical deductions for his assistance dog. This could include additional training, food and veterinarian costs.

5. It would depend on whether Fred’s doctor is suggesting that this would be a good idea for Fred’s general health and fitness; or that this something that Fred’s doctor has identified that he needs to do like physiotherapy.

6. You would count Samantha’s prescription medication and even her OTC medication as a medical deduction. You would not allow a deduction for Darrin’s prescriptions, even though he received a prescription from his doctor, as he does not meet the criteria of elderly or disabled.

7. This is an allowable cost that Bill can receive a medical deduction for as we would consider this a reasonable cost for him to receive medical services.

Have a Question?

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