

## Standard Demonstration Waiver Request Template

OMB Control Number 0584-NEW

Expires 1/1/2028

### SMD Template

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1. **Serial Number:** N/A
2. **State:**
3. **Region:**
4. **Type:**
  - a. Initial
  - b. Extension
  - c. Modification
  - d. Extension/Modification
5. **Title:** Standard Medical Deduction (SMD) Project
6. **Citation:** Section 5(e)(5)(A), 7 CFR 273.9(d)(3), 7 CFR 273.14(b)(4), 7 CFR 273.2(f)(8)(i)
7. **Requirements:**

Section 5(e)(5)(A): A household containing an elderly or disabled member shall be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party, to an excess medical expense deduction for the portion of the actual costs of allowable medical expenses, incurred by the elderly or disabled member, exclusive of special diets, that exceeds \$35 per month.

7 CFR 273.9(d)(3) allows elderly or disabled SNAP participants to deduct the portion of their actual medical expenses, excluding special diets, that exceeds \$35 for the purpose of determining eligibility and benefit amounts.

7 CFR 273.14(b)(4) requires the State agency to verify information provided by the household at recertification in accordance with 7 CFR 273.2(f)(8)(i).

7 CFR 273.2(f)(8)(i) requires the State agency to verify at recertification total medical expenses claimed by households which are changed by \$25.01 or more and which are incomplete, inconsistent, inaccurate or outdated.
8. **Proposed Alternative Procedures**
  - a) **Eligibility:**

Describe the specific populations who will be eligible for the SMD such as elderly and/or disabled household members with at least \$35 in allowable out of pocket medical expenses.
  - b) **Application Form:**

Describe any changes to the application form used for eligible households. Describe any specialized instructions on the form such as a description of the SMD deduction or

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accompanying materials. Indicate if information about the SMD will be available on the SNAP application in paper, online, or both.

c) Conversion of Households Participating in Regular SNAP:

If this is a new SMD demonstration project, describe the State's strategy for converting eligible households in regular SNAP to SMD demonstration project. Describe the State's procedures if households become SMD eligible due to changes in household circumstances.

d) Interview:

Describe the State's interview process under the SMD demonstration. How will the State explain the requirements associated with participation in the demonstration project? *If the client's actual out of pocket medical expenses are greater than the SMD amount, the client must be informed that they can choose to provide documentation of actual medical expenses and claim actual medical expenses as their deduction or choose instead to provide sufficient information to receive the SMD.*

e) Verification:

Describe the State's procedures for addressing the specific verification components of the SMD demonstration project. How will the State verify out of pocket medical costs of SMD applicants? What are the procedures for discrepancies in information? What type(s) of documents will the household need to provide?

f) Certification Period and Recertification:

Describe any systems changes needed to address implementation of the SMD demonstration project. How will the State notify the eligible household about the information required at certification or recertification to qualify for participation in the demonstration? What information will be included on notices? Describe the specifics of the recertification process under the SMD demo.

g) Client Reporting:

Describe how the State will act on client reported changes in medical costs or household circumstances in order to ensure the appropriate medical deduction amount is applied over time.

h) Training:

Describe the training plan and strategies the State will implement. How will the State train eligibility workers on SMD certification procedures and other components of the demonstration project?

i) Outreach:

Describe the outreach plan for SMD such as identifying partner organizations, providing training on SMD eligibility and verification criteria.

j) Opt Out Procedures:

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Describe procedures or notices that inform applicants/clients that they can opt out of the demonstration project and claim actual medical expenses.

### 9. Proposed SMD Amount

*For new SMDs: Please provide the proposed SMD amount and a brief explanation of how this amount was selected.*

*This amount should not include the \$35 medical deduction. A best practice is to collect data on the medical deduction amounts elderly/disabled members are claiming under current law. This could be for a sample of cases or for all households; if using a sample, make sure that the sample is large enough to be representative. Once this information is gathered, find the 70th and 75th percentile of those deduction values. The SMD amount should be set between the 70th and 75th percentile. When selecting the SMD amount, States should consider both administrative simplicity (i.e., the higher the SMD amount, the fewer households will verify actual expenses) and the size of the offset (i.e., the higher the SMD, the greater the offset will need to be to achieve cost neutrality). The State should also include some recent data on the total # households in the State, the # of households with elderly or disabled members, and the # of households claiming a medical deduction.*

*For renewing SMDs: A completed cost neutrality data report should be submitted alongside the renewal request. If the State is suggesting a change to the SMD amount, please describe here and provide supporting data for the new SMD amount. Appropriate supporting data would be data showing the distribution of medical expenses elderly/disabled households are claiming (from all households or a representative sample of households).*

### 10. Justification for Request

*Pilot or demonstration projects are intended to test program changes that might: 1) increase the efficiency of SNAP; and 2) improve the delivery of SNAP benefits to eligible households.*

*Use the space below to describe how implementing this project in your State will achieve these and any other objectives.*

### 11. Caseload Information

- a. Percent of caseload expected to be affected by this waiver
- b. Description of population expected to be affected by this waiver

### 12. Anticipated Impact on Households & State agency operations

*Use this space below to describe how implementing this project in your State will impact program enrollment, cost, SNAP households, and State agency operations.*

### 13. Proposed Evaluation Procedures

*Pilot or demonstration projects must include an evaluation component to determine the effects of the project.*

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*Use the space below to describe how the State agency plans to evaluate the effects of this project in relation to the stated objectives.*

### **14. Anticipated Impact on Program Costs**

*Increased program costs associated with pilot or demonstration projects must be analyzed to determine if any offsets are needed to protect Federal spending.*

*Use the space below to describe any anticipated impacts on program costs as a result of implementing this project.*

*Pre-Populated Text:* If proposing a Heating and Cooling Standard Utility Allowance (HCSUA) offset, please provide an explanation of how this offset amount was established. Please attach data documenting your decision.

### **15. Anticipated Implementation Date**

### **16. Anticipated Expiration Date**

### **17. Waiver Approval Needed Prior to Anticipated Implementation Date (e.g. for system adjustments)?**

- a. If yes, indicate "Needed Approval Date"

### **18. State Requesting Official (e.g. Commissioner, Director)**

### **19. State POC**

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is OMB No.0584-NEW. The time required to complete this information collection is estimated to average 1105 hours per response for new demonstration project request and 24 hours for a modification and/or extension of an existing demonstration project.