

**NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
BISMARCK, NORTH DAKOTA
November 15, 2012**

IM 5152

TO: County Social Service Directors
Economic Assistance Policy Regional Representatives
Economic Assistance Policy Quality Control Reviewers

FROM: Carol Cartledge, Director, Economic Assistance Policy

SUBJECT: Gift Cards and Gift Certificates

PROGRAMS: SNAP

EFFECTIVE: Immediately

RETENTION: Until Manualized

**SECTIONS
AFFECTED:** 430-05-50-20-05 – Earned Income (SNAP)
430-05-50-20-10 – Unearned Income (SNAP)
430-05-50-25-35 – Gifts (SNAP)
400-19-55-15-05 – Definition of Earned Income (TANF)
400-28-65-15 – Disregard of Certain Income (CCAP)
510-05-85-05 - Income Considerations (Medicaid)
510-07-40-05 - Income Considerations (Healthy Steps)

Types of gift cards, gift certificates and in-store credit/bonus:

- Store specific gift cards and gift certificates that can be used to purchase goods and services at establishments offering the cards.
- Gift cards, such as Visa and MasterCard, that can be used anywhere.
- In-store credit/bonus.

Treatment of gift cards, gift certificates and in-store credit for each program is defined below.

SNAP

Store specific gift cards, gift certificates and in-store credits are excluded.

If receipt of gift cards, such as Visa and MasterCard, can be reasonably anticipated and is recurring, the amount must be verified with the provider and counted as income.

In-store credit/bonuses provided to employees are considered earned income if the employee has the option of receiving cash payment or in-store credit. If the employee does NOT have the option of receiving cash payment, the in-store credit/bonuses are disregarded as income for SNAP.

TANF

TANF defines policy on the treatment of gift cards and gift certificates in the Disregard of Certain Income Section 400-19-55-25, #23. Gift cards and gift certificates are disregarded as income for TANF.

In-store credit/bonuses provided to employees are considered earned income if the employee has the option of receiving cash payment or in-store credit. If the employee does NOT have the option of receiving cash payment, the in-store credit/bonuses are disregarded as income for TANF.

CCAP

CCAP policy regarding gift cards and gift certificates is addressed in Section 400-28-65-15, Disregard of Certain Income. Gift cards and gift certificates are disregarded as income for CCAP.

In-store credit/bonuses provided to employees are considered earned income if the employee has the option of receiving cash payment or in-store credit. If the employee does NOT have the option of receiving cash payment, the in-store credit/bonuses are disregarded as income for CCAP.

Medicaid, Healthy Steps and Basic Care

Gift cards, debit cards, pre-paid credit cards, or "in-store" credits are considered income in the month received by an applicant or recipient if received as an income payment or financial contribution. These can include such payments as SSA or SSI benefits, bonus or commission payments, compensation for work performed, or Tribal gaming per capita distributions from gaming revenues, etc. These could be earned or unearned income by applying appropriate policy.

Payments that are normally disregarded as income, such as SNAP or TANF benefits, disregarded Tribal payments (other than per capita payments from gaming revenues), and occasional small gifts, continue to be disregarded as income regardless of the form of payment (510-05-85-25 Post Eligibility

Treatment of Income, 510-05-85-30 Disregarded Income – Medicaid, 510-07-40-30 Disregarded Income – Healthy Steps).

Any of the above that the applicant or recipient still has in the month following the month of receipt are considered an available asset for Medicaid applicants and recipients who are subject to an asset test (510-05-70-10 Asset Considerations).

LIHEAP

Gift cards, gift certificates, and 'in-store' credits are the same as cash income and, as such, would not be counted as income per LIHEAP policy 415-25-05-30, Income Not Counted, #2a.