

<b>DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION</b>	<b>TEMPORARY DISABILITY ASSISTANCE MANUAL</b>
<b>CHAPTER IV: FINANCIAL ELIGIBILITY</b>	<b>COMAR 07.03.05.09</b>
<b>SECTION 4: LUMP SUM INCOME</b>	

### **TREATMENT OF LUMP SUM INCOME**

- A. Lump sum income is a non-recurring money payment. In determining eligibility, the portion of the lump sum actually available to a customer is counted as income as detailed below:
1. Add the lump sum income to the sum of all countable income for the month.
  2. Divide total income by the allowable amount;
    - a) The customer is ineligible for the number of months equal to the amount resulting from the division, beginning with the first of the month for which advance notice requirements can be met;
    - b) Any amount remaining, which is less than the allowable amount is counted as income in the first month after the ineligibility, if any, ends; and
    - c) The customer who receives a lump sum payment in the month of application is ineligible for the period of months equal to the quotient resulting from the division beginning with month of application.

#### **Examples:**

Mr. K applies for TDAP on July 22 and he received a lump sum payment of \$925 from an insurance claim on July 15. Divide the \$925 by the \$185 grant amount, which equals 5 months of ineligibility. Mr. K is ineligible for TDAP from July through November.

On July 25, Mr. L, a TDAP recipient, reports receiving \$925 from an insurance claim on July 22. Divide the total amount \$925 by the \$185 grant amount, which equals 5 months of ineligibility for TDAP. There is not enough time to give Mr. L advance notice for August, therefore Mr. L is ineligible from September thru January.

### **Shortened Period of Ineligibility for Recipients of Lump Sum Income**

- B. The local department will shorten the period of ineligibility due to receipt of lump sum income if the lump sum benefit or a portion of it, becomes unavailable to the customer due to circumstances beyond the control of the customer.
- C. The lump sum income, or a portion of it, is considered unavailable when the lump sum income is no longer in the possession of the customer and cannot be recovered or used for every day expenses.

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D. Circumstances which are considered beyond the control of the customer include but not limited to:

- 1) Theft of money
- 2) Disaster defined as fire, flood, tornado, or civil disorders;
- 3) Eviction or foreclosure, or payments of past due rent or mortgage payments to avoid eviction or foreclosure;
- 4) Theft or breakdown of an essential appliance, such as a refrigerator, cooking or heating stove, washing machine, necessitating repair or replacement, so that the customer's living arrangement may continue;
- 5) Breakdown of essential household furnishings, equipment, or structure necessitating repair or replacement, so that the customer may remain in the home;
- 6) Lack of heating fuel or utilities, insufficient heating fuel supply, or threat of imminent utility cutoff; or
- 7) Verified medical expense payments for:
  - a) Treatment service rendered in a hospital, clinic, or nursing home,
  - b) Treatment or service rendered by a physician, dentist, certified psychologist, licensed social worker, or any health professional licensed or certified by the State,
  - c) Prescription drugs when prescribe by a health professional licensed or certified by the State,
  - d) Over-the-counter medications or health-related supplies or appliances ordered by a health professional licensed by the State.