



## **POLICY CHANGE ALERT #15-039F**

**TITLE: LUMP SUM PAYMENT**

**ISSUE DATE: 12/10/2015**

**EFFECTIVE DATE: EFFECTIVE IMMEDIATELY**

### **Summary**

Programs Impacted: NA and CA

This Policy Change Alert is being issued to clarify policy regarding lump sum payments. This revision is based on a request received by Quality Control.

FAA staff must determine when a payment includes both a lump sum payment and the normal ongoing payment. The portion intended for the month that the payment was received is countable as income.

### **Revision Details**

The FAA Policy Manual will be updated to include the information in this Policy Change Alert during one of the next bimonthly revisions. Until then, an alert will be placed in each revised section with a link to this document as a reminder of the policy change.

### **POLICY REFERENCE: FAA4.B03L – Lump Sum Resources**

[Lump sum](#) payments are COUNTABLE as a resource.

Key lump sums on **LIAS** using the LS Liquid Assets Code.

#### **EXCEPTION**

**When a payment is received that combines the lump sum payment with the normal ongoing payment, key the portion of the normal ongoing payment using the appropriate income code of that source of [income](#). (See Example [Lump Sum Payments](#))**

### **POLICY REFERENCE: FAA4.H0400 – Lump Sum Payments**

[Lump sum](#) payments are NOT COUNTABLE as income. Count lump sum payments as a resource.

#### **EXCEPTION**

**When a payment is received that combines the lump sum payment with the normal ongoing payment, key the portion of the normal ongoing payment using the appropriate income code of that source of [income](#). (See Example [Lump Sum Payments](#))**



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Lump sum payments include back payments for initial months or restored benefits. This includes, but is not limited to, the following:

- [Assistance Payments](#)
- Child Support

NOTE Payments that are RECURRING are considered arrearages. (See [Budgeting Child, Medical, and Spousal Support](#))

- [Social Security Administration](#)
- [Veterans Administration \(VA\) benefits](#)
- [Unemployment Insurance \(UI\) benefits](#)
- [Railroad Retirement \(RR\) benefits](#)
- [Indian Gaming Industry Per Capita Disbursements](#)
- [Profit Sharing Dividends](#)

### **POLICY REFERENCE: FAA6.N25S - Lump Sum Payment Example**

Mary applied for NA on 12/03/15. She lives alone. She was approved for SSI on 11/02/15. Mary's SSI benefit is \$600 per month. On 12/01/15 Mary received a payment for \$1500. The payment included the \$600 normal ongoing payment for 12/2015. The rest of the payment was for back payments for previous months.

The \$600 payment is countable income for the month of December. The rest of the payment is considered a lump sum and is considered countable as a resource.

Please contact the FAA Policy Support Team by phone at (602) 774-5523 or by e-mail at [FAAPolicyMgmt@azdes.gov](mailto:FAAPolicyMgmt@azdes.gov) with any questions or concerns regarding this broadcast.

**Please consider the environment before printing this broadcast.**

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