

<b>Program:</b> HEAP Fuel Assistance	<b>MHPN #</b> 2023-HEAP-003
<b>Action:</b> Program Guidance Clarification	<b>Effective Date:</b> 7/28/2023
<b>Issued by:</b> MaineHousing, Energy and Housing Services	<b>Expired Date:</b>

**This MaineHousing Notice is being issued to provide clarification regarding the use of paycheck stubs to document paid medical or dental expenses.**

### 1. Use of Medical/Dental Premium Expenses Shown on Paycheck Stubs for Over Income Applications

Per the Chapter 24 HEAP Rule (effective date 7/3/2023), section H., “For any Household found ineligible due to being over income, the Subgrantee will deduct paid and documented medical expenses not reimbursed for the 12-month period prior to the HEAP Application Create Date- Non Online or Application Intake Date from the gross income amount in an amount only enough to make Household eligible. Medical expenses may include medical and dental insurance premiums and transportation to medical appointments. Subgrantees will use Internal Revenue Service Publication 502, as same may be amended from time to time, to identify eligible medical and dental expenses.” Contributions to health savings accounts (HSAs) are not allowable income deductions per IRS Publication 502.

The HEAP Handbook section 12.B.2. provides detailed guidance regarding deducting medical expenses. If an Applicant is determined to be over income for HEAP; they have provided paycheck stubs as income documentation; and the paycheck stubs show amounts paid for medical and/or dental insurance premiums, Community Action Agencies (CAAs) may use the paycheck stub as documentation of paid medical/dental expenses. In these instances, CAAs must follow these steps:

1. Deny the application in the HEAP software system. This will document that the Applicant was denied for being over income limits.
2. CAA uses documented, paid medical and/or dental insurance premiums listed on paycheck stubs to determine if enough documented medical expenses exist in an amount only enough to make the Household income eligible. If there are enough documented medical/dental expenses, CAA enters into the HEAP software system and recertifies the Application, entering applicable comments in the Application. There is no need to send a Denial letter.
3. If the amount of documented medical/dental insurance premiums paid from the paycheck stubs are not enough to make the Household income eligible, a Denial letter must be issued. The Denial Letter needs to show the full amount of how much the Household was initially determined to be over income. In comments on the letter, the CAA needs to indicate the dollar amount of documented paid medical/dental expenses they have from the paycheck stubs, and indicate the dollar amount of documented paid medical/dental expenses the Applicant must still provide to the CAA.

## 2. Notice Contact

Troy Fullmer, *Manager of HEAP* ▪ [liheap@mainehousing.org](mailto:liheap@mainehousing.org)

*Maine State Housing Authority (“MaineHousing”) does not discriminate on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, national origin, ancestry, physical or mental disability, age, familial status or receipt of public assistance in the admission or access to or treatment in its programs and activities. In employment, MaineHousing does not discriminate on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, national origin, ancestry, age, physical or mental disability or genetic information. MaineHousing will provide appropriate communication auxiliary aids and services upon sufficient notice. MaineHousing will also provide this document in alternative formats upon sufficient notice. MaineHousing has designated the following person responsible for coordinating compliance with applicable federal and state nondiscrimination requirements and addressing grievances:*

*Lauren Bustard, Maine State Housing Authority, 26 Edison Drive, Augusta, Maine 04330,  
Telephone Number 1-800-452-4668 (voice in state only), (207) 626-4600 (voice) or Maine Relay 711.*

