


# **PART II**

## **Earned Benefits 101**



*All you really need  
to know to  
promote benefits  
in your workplace*

While having an in-depth understanding of the range of economic supports and earned benefits available to frontline employees is ideal, the reality of the situation is that HR professionals and other managers simply do not have the time to learn all the ins and out of the many programs out there. That's why it's essential that they have immediate access to an easy-to-use reference guide. For this reason, this section provides a quick overview of all the most basic information to start connecting your employees with public benefits.

# THE CHEAT SHEET

## A Checklist of Earned Benefits and Work Support Programs

### TAX CREDITS

#### Earned Income Tax Credit

Up to \$5666 in cash for eligible families, simply by filing taxes.

#### Child Tax Credit

Up to \$1000 per qualifying child for any worker who earned more than \$3000 in 2010.

#### Child and Dependent Care Credit

Up to \$2100 in non-refundable credits (credits applicable to taxes owed as opposed to cash back) for workers who pay for caregiver expenses.

#### American Opportunity Tax Credit (Formerly the Hope Credit)

Educational credit for tuition and expenses for undergraduate students worth up to \$2500.

*For more information on tax credits and tax preparation assistance call: 1-800-829-1040 or visit the IRS site: [www.irs.gov](http://www.irs.gov)*

### NUTRITION AND HEALTH BENEFITS

#### Supplemental Nutritional Assistance Program (Formerly known as Food Stamps)

Enables lower-income families to buy healthy foods through use of an “Electronic Benefits Transfer” card that works like a debit card and can be used at most grocery stores.

*For more information on SNAP call: 1-800-221-5689 or visit the USDA SNAP site: [www.fns.usda.gov/FSP](http://www.fns.usda.gov/FSP)*

#### Women, Infants, and Children

Helps to cover nutritional and health needs for low-income women with young children.

*For more information on WIC call: 1-703-305-2286 or visit the official WIC website: [www.fns.usda.gov/wic/](http://www.fns.usda.gov/wic/)*

#### Children’s Health Insurance Program

State-based program that helps families who earn up to \$44,500 annually to pay for medical care for children under 18.

#### Medicaid

Health insurance program that enables low-income people to pay for some, or all, of their medical bills.

*For more information on CHIPS and Medicaid call: 1-877-KIDS-NOW or visit: [www.insurekidsnow.gov](http://www.insurekidsnow.gov)*

### BENEFITS FOR THE HOME

#### Low-Income Home Energy Assistance Program

Helps low-income families pay for basic household heating or cooling expenses and home weatherization.

*For more information on LIHEAP call: 1-866-674-6327 or visit the National Energy Assistance Referral service page: [liheap.ncat.org/referral.htm](http://liheap.ncat.org/referral.htm)*

#### Foreclosure Assistance Programs

Programs that are part of Making Home Affordable Program such as a Hope for Homeowners, the Home Affordable Modification Program (HAMP), and the Home Affordable Refinance Program (HARP), help eligible homeowners modify loans or refinance their mortgages so that they’re more affordable.

*For more information call: 1-888-995-HOPE or visit the HAMP site: [www.makinghomeaffordable.gov](http://www.makinghomeaffordable.gov)*

#### Rental Assistance

The US Department of Housing and Urban Development also supports renters by providing safe, affordable rental options. Some of the major programs include: privately owned subsidized housing; Public Housing; and Housing Choice Voucher Program (Section 8).

*To find out more call: 1-800-569-4287 or visit: [portal.hud.gov](http://portal.hud.gov)*

# SAVE THE DATE

## FEDERAL BENEFITS CALENDAR

### January

Include tax credits and benefits education materials in paychecks and when distributing W-2 forms. Begin educating employees about EITC and CTC through staff meetings and posted materials.

### February

The peak number of tax refund claims are filed this month, and VITA sites are beginning to open.

### March

Make your final informational push before tax deadlines! Promote tax credits/federal benefits, advertise VITA site center locations, and sign up new Advance EITC filers.

### April

After the April 15<sup>th</sup> deadline is past, it's time to turn your attention to promoting a healthy workplace. Take down the posters related to tax credits and start putting up posters related medical or nutrition benefits.

### May-July

Rev up your health benefits outreach by distributing paycheck stuffers and offering information sessions about programs like SNAP, WIC, CHIPs and Medicaid. You can also get creative and find other fun ways to educate your employees. One possibility is to sponsor a healthy food day – offer nutritious and tasty snacks in the break room as you hand out informational materials.

### August

Time to transition again to the next benefit segment. Begin switching out posters on health benefits to benefits related to the home, like LIHEAP. If possible, start letting employees know about any programs, information sessions or special events you may be doing during the upcoming months.

### September to December

Along with promoting LIHEAP or other home-related programs like foreclosure assistance, you can also make this next segment all about personal and family life by providing information on benefits for families with children or for people with disabilities.

One way to do this is to focus each month on a different topic: September could be for families with children heading back to school; October – National working families month – could be for other family programs such as adoption assistance; November could celebrate veterans and people with disabilities; and December when it's getting cold and every one is thinking about the holidays can be about heating and foreclosure assistance.

# APPLICATION ESSENTIALS

## Types of documents and information required by most programs

- ☑ **Proof of identity:** Birth certificate, Drivers license, Other Photo ID, US Passport, Visa, Resident alien card
- ☑ **Proof of legal residency and work status:** Social security number, Taxpayer Identification Numbers (ITINs)
- ☑ **Proof of residency:** Rent or mortgage receipts, Lease, Utility bills (gas, oil, electric), Homeowners or renters insurance
- ☑ **Proof of income:** Pay stubs, 2009 Tax return, W-2 from all jobs, 1099 form for any other income, Social Security award letter
- ☑ **Proof of disability:** Letter from Social Security
- ☑ **Proof of medical expenses not covered by health insurance:** Prescriptions, Co-payment receipts
- ☑ **Proof of other expenses:** Tuition bill/official course enrollment form, car payment receipts, childcare bills, etc.
- ☑ **Other documents:** Statements received from a mortgage company during 2010; any IRS notices received during 2010; Utility termination notice

*Note: As criteria for eligibility vary by program, most applications do not require benefit enrollees to have all of this material. Applicants should check which of these documents they will need before the enrollment interview.*