Policy Clarification 2017-03-01

Title: Social Fundraising Accounts (Go Fund Me)

Date: 3/22/2017

From: Allison Miller, Family Medical Policy Manager

Program impacted: All Medical Assistance Programs

What is Go Fund Me?
Go Fund Me is a social fundraising platform that allows people to raise money for events ranging from life events such as celebrations and graduations to challenging circumstances like accidents and illnesses or raising money for a start-up business. There are additional websites that offer services similar to Go Fund Me, though Go Fund Me is the most common. This policy clarification applies to all of these types of fundraising accounts. Listed below are a few additional names of similar companies (this list is not all inclusive):
- You Caring
- Fundly
- Give Forward
- Kickstarter

How do I become aware of this type of income?
A consumer may report it as income or a resource on their application. It also may become known if deposits are seen on a checking/savings account statement. It would not be appropriate to inquire on the Go Fund Me website if not already reported by the applicant.

Resource
This type of account is always countable as a resource. Just like with other accounts, such as checking or savings, the amount of the income received in that month shall be deducted from the low balance of the account to determine the countable amount of the resource.

Income
Whether or not this type of account is countable as income is dependent on the purpose and intent of the account. The consumer should be asked to explain the purpose and intent of the account. Self-attestation of the purpose and intent is acceptable. The income shall be treated as Irregular Unearned Income. The income is viewed as belonging to the person it was intended for. So, if the account was created to collect donations on behalf of a sick child, the income is treated as if it belongs to the child, even when deposited into a parental checking account.
• Contributor donates, and doesn’t expect to get any benefit from this donation. Examples: sick child or rebuilding after a fire
  o Income for MAGI: Exempt
  o Income for E&D: Countable when in excess of $50. See KEESM 6410 (26).

• Contributor donates, and expects to receive a service or item in return. Examples: Membership fee or Website fund (a payment is made in order to continue to receive access to a specific website)
  o Income for MAGI: Countable
  o Income for E&D: Countable

• Contributor makes an investment, expects to receive a return on their investment. Example: Investment to fund a research project
  o Income for MAGI: Exempt
  o Income for E&D: Exempt

**Verification**
Verification is required, consistent with how the entity releases their funds to the individual. Each company may have a varied process to pay-out the donations.

**Verification of Income**
• Verification can be in the form of a statement from the website or the bank account the deposits are made to.
• Verification should be obtained for the last 30 days in order to determine a monthly amount. When multiple statements, showing several months’ worth of income are provided, an average should be taken of no more than three months.

**Verification of Resources**
• Verification can be in the form of a statement from the website or the bank account the deposits are made to.
• Verification should be obtained according to regular resource verification policies.

**Additional Information about Go Fund Me accounts:**
• Go Fund Me uses a payment service called WePay.
• Withdrawals are made by either electronic deposit into a checking/savings account or by a paper check.
• Electronic deposits will appear as deposits from WePay on the checking/account statement.
• Deposits can be made daily, weekly, or monthly, at the preference of the individual.
• Go Fund Me does not hold the funds in an account.
• The countable resource is determined by any funds which continue to exist in the individual’s checking/savings account after the month of receipt, or as cash if they are cashing checks sent by Go Fund Me.

**KEES Income Type**
Countable and exempt income is required to be entered into KEES. When income verification is not required because the income is exempt, use the self-attested amount.

Use the following codes for this type of income:

• Contributor donates, and doesn’t expect to get any benefit from this donation.
  o Income Category: Loans, Gifts, Contributions
  o Income Type: Cash Gifts
• Contributor donates, and expects to receive a service or item in return.
  o Income Category: Miscellaneous
  o Income Type: Other – Countable

• Contributor makes an investment, expects to receive a return on their investment. Example: Investment to fund a research project
  o Income Category: Miscellaneous
  o Income Type: Other – Exempt

When entering in KEES, suggest including an entry in the Description box that indicates the type of income. See screenshot below.

Example:
Below is an example of how a Go Fund Me account will appear on an individual’s checking account.

<table>
<thead>
<tr>
<th>Date</th>
<th>Description of Transaction</th>
<th>Ref Number</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug 26</td>
<td>Electronic Deposit</td>
<td>From DFAS-CLEVELAND REF=162370070387060N00</td>
<td>530.04</td>
</tr>
<tr>
<td>Aug 29</td>
<td>Transfer Deposit (Branch)</td>
<td>From 251801295162</td>
<td>225.00</td>
</tr>
<tr>
<td>Aug 29</td>
<td>Transfer Deposit (Branch)</td>
<td>From 251801201236</td>
<td>475.00</td>
</tr>
<tr>
<td>Aug 29</td>
<td>Transfer Deposit (Branch)</td>
<td>From 251801200972</td>
<td>475.00</td>
</tr>
<tr>
<td>Aug 29</td>
<td>Electronic Deposit</td>
<td>From WePay SV9T REF=162420059965070N00</td>
<td>556.52</td>
</tr>
<tr>
<td>Aug 31</td>
<td>Electronic Deposit</td>
<td>From WePay SV9T REF=162440069156350N00</td>
<td>96.50</td>
</tr>
<tr>
<td>Aug 31</td>
<td>Electronic Deposit</td>
<td>From WePay SV9T REF=162440069156320N00</td>
<td>290.70</td>
</tr>
<tr>
<td>Sep 6</td>
<td>Electronic Deposit</td>
<td>From WePay SV9T REF=162500029710520N00</td>
<td>314.07</td>
</tr>
<tr>
<td>Sep 7</td>
<td>Electronic Deposit</td>
<td>From WePay SV9T REF=162510081224800N00</td>
<td>96.80</td>
</tr>
<tr>
<td>Sep 7</td>
<td>Electronic Deposit</td>
<td>From WePay SV9T REF=162510081224840N00</td>
<td>183.29</td>
</tr>
<tr>
<td>Sep 9</td>
<td>Electronic Deposit</td>
<td>From WePay SV9T REF=162510105196580N00</td>
<td>200.08</td>
</tr>
<tr>
<td>Sep 13</td>
<td>Electronic Deposit</td>
<td>From AR CHILD SUPPORT REF=162560158670490N00</td>
<td>308.00</td>
</tr>
<tr>
<td>Sep 19</td>
<td>Electronic Deposit</td>
<td>From WePay SV9T REF=162630010259760N00</td>
<td>48.25</td>
</tr>
</tbody>
</table>

Total Deposits / Credits $ 3944.60