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# CABHN FEVER

## File Your Tax Return, Increase Your Paycheck



It's possible to get as much as \$4,204 through the Earned Income Credit when you file your 2004 federal taxes!

### What is the Earned Income Tax Credit?

The Earned Income Tax Credit (EITC) is extra money you may be able to get if you are working and you file a federal income tax return. Because the EITC is a "credit," this is money you can get in addition to your tax refund. If you qualify, you can get as much as \$4,204!

#### To claim the EITC, individuals *must* meet these following rules:

1. *Must have earned income*
2. *Must have a valid Social Security Number*
3. *Investment income is limited to \$2,650*
4. *Filing status cannot be "married filing separately"*
5. *Generally, must be a U.S. citizen or resident alien all year*
6. *Cannot be a qualifying child of another person*
7. *Cannot file Form 2555 or 2555-EZ (related to foreign earned income)*

The income eligibility guidelines and maximum credit amounts for tax year 2004 are listed below:

- Families with one qualifying \*child who earn less than \$30,338 in 2004 (or less than \$31,338 for married workers) are eligible for a credit of up to \$2,604.
- Families with two or more qualifying\* children who earn less than \$34,458 in 2004 (or less than \$35,458 for married workers) are eligible for a credit of up to \$4,300.
- Workers without a qualifying child who earn less than \$11,490 in 2004 (or less than \$12,490 for married workers) are eligible for a credit of up to \$390.

**\*NOTE:** A **qualifying child** is a son, daughter, adopted child, stepchild, grandchild, brother, sister, stepbrother, stepsister, niece or nephew, whom you cared for as you would your own child, or an eligible foster child. This child must have been under age 19 at the end of 2004, or under age 24 and a student, or permanently and totally disabled at any time during the year, regardless of age. This child must have lived with you in the U.S. for more than half of 2004.

For more information on the EITC, go to [www.irs.gov](http://www.irs.gov) and search EITC. The Volunteer Income Tax Assistance Program (VITA) offers free tax help to people with income of \$35,000 and below who cannot prepare their own tax returns. Most locations also offer free electronic filing. To locate the nearest VITA site or IRS office, call the IRS at 1-800-829-1040. You may also call Infoline at 211.

**Words of caution:** Beware of "Fast Cash Refunds," "Express Money," or "Instant Refunds" that offer to get your money to you in just a day or two, or even on the spot. Many of these "fast refunds" are really Refund Anticipation Loans (RALs) which means you're borrowing against your own tax refund money. RALs are extremely expensive. Loan fees typically range

## Energy Assistance

### Don't Forget to Apply!



Due to increased federal funding, the Department of Social Services has modestly increased available energy assistance. The two main areas of increase are:

1. Utility-heated households will receive an additional \$35 benefit. This increase will be provided to households which have already been approved at a lower benefit level.
2. Crisis and Safety-Net benefits for deliverable-fuel-heated households have various, but more substantial increases.

The opening day for energy assistance applications was November 1. Applications can take up to 45 days to process, but immediate fuel delivery should be available if needed. The deadline to apply is March 15, 2005 (*earlier if funds run out*). It is important to apply early to ensure you get needed benefits. Even if heat is included in your rent payment, you may be eligible for benefits (depending on your income and rent amount). Apply at your local Community Action Agency or call Infoline (211) or the DSS Energy Line (1-800-842-1132) for information on the closest application site. Bring proof of income for everyone in the house and a copy of your fuel/utility bill. ❖

from \$30 to \$90, which translates in Annual Percentage Rates (APRs) of about 60% to over 700%. They are often marketed to people who need money the most and can be risky. It is a loan and *must be repaid even if the IRS denies or delays your refund, or your refund is smaller than than expected.* ❖

## The Consumer Law Project for Elders

Seniors with consumer questions or problems now have somewhere to turn for free legal assistance, the Consumer Law Project for Elders. The CLPE is a project of Connecticut Legal Services, Inc., a non-profit law firm. The CLPE staff of attorneys and paralegals provides legal assistance to seniors 60 and over with consumer problems via a statewide hotline number 1-800-296 1467. The Hotline is open Monday thru Friday 9:00 - 5:00.

Persons 60 years of age or older, of any income level, can call the Consumer Law Project for Elders Hotline if they have a consumer problem. A younger person can also call on behalf of someone 60 years of age or older. Here are just a few examples of consumer problems with which the CLPE can assist: credit card debt, medical bills you can't pay, loan problems, identity theft, bankruptcy, credit report corrections, automobile repossession, problems with a home improvement contractor and more.

All services provided by the Consumer Law Project for Elders are free. Court fees, if any, are the responsibility of the client.

The Consumer Law Project for Elders has Spanish speaking staff available for Spanish speaking seniors. The Consumer Law Project for Elders can be reached by calling 1-800-296-1467 Monday thru Friday from 9:00a.m. to 5:00p.m.❖

## Compare HMO's

The State of Connecticut Insurance Department (CID) has published a guide for consumers faced with making an HMO choice. Major Connecticut insurers included in the guide are Aetna Health, Anthem Blue Cross-Blue Shield, ConnectiCare, Health Net and Oxford. To view this publication, go to <http://www.ct.gov/cid/LIB/cid/mancare1.pdf> or request a free copy by calling 1-800-203-3447.❖

## Member Rights under the SAGA Medical Managed Care System



The State Administered General Assistance (SAGA) medical program has been converted to a managed care system. Community Health Network of Connecticut (CHNCT) is the administering agency and most members are assigned to a community health center for primary care. **But you can change primary care providers if you want and it is possible to get primary and specialty care from providers who are not in the CHNCT network in exceptional circumstances.**

**You can change primary care providers** to any provider who is part of the CHNCT network by requesting a change from the CHNCT Membership Services Department. The Department can be reached by calling toll-free 1-866-361-SAGA (7242) or through the CHNCT website ([www.chnct.org](http://www.chnct.org)). A list of participating primary care providers is on the website. CHNCT is interested in expanding their network of participating providers. If your provider is not a member, suggest that s/he consider joining.

**You can get authorization to see a primary care provider or a specialist who is not in the network if:**

- there is no CHNCT network primary care provider within 20 miles of where you live or
- there is no CHNCT network specialist reasonably accessible to you or
- the service or care requested is highly specialized and cannot be provided by providers in the CHNCT network (some documentation will be required) or
- it is an urgent situation and the provider office calls CHNCT for one-day authorization or
- a change to a provider in the network would be injurious to the health status of the member (for instance, end-of-life care or mid-cancer treatment). In some circumstances, a plan for transition to a participating provider may be developed.

To request payment for the services of an out-of-network provider, contact the CHNCT Membership Services Department (see above for contact information).

If you are not satisfied with the response, you can call Theresa Rugens of DSS (860-424-5156) or contact Statewide Legal Services at 1-800-453-3320 (Middletown area: 344-0380).

You have the right to appeal CHNCT decisions within 30 days by contacting the CHNCT Membership Services.❖



## Help Save Medicaid- Share Your Story

Do you know a senior, a child, a person with a disability, or a working family in Connecticut with Medicaid coverage? If so, FamiliesUSA would love to hear from you and them!

FamiliesUSA is embarking on a campaign to protect the Medicaid program from federal cuts. To communicate the message clearly and in a way that resonates with a broader

audience including news media, state legislators, Senators and the general public, they need to humanize the debate by enlisting the help of those who depend on Medicaid.

Please contact Alexandra Zavala, Communications Outreach Coordinator, at 1-800-593-5041 ext. 3614 or at [azavala@familiesusa.org](mailto:azavala@familiesusa.org).❖

## Federal Budget Bill Weakens Housing Program, Preserves Section 8 Funding



The federal budget bill, which was adopted by Congress in November, adversely affects nearly every federal housing program. The best that can be said is that it could have been worse.

### The good news

In response to the nationwide outcry against the President's proposed \$1.6 billion reduction in Section 8 funding and HUD's numerous administrative actions to undercut Section 8, both the Senate and the House rejected severe funding reductions for Section 8 and provided money that might, if applied reasonably by HUD, be enough to renew all vouchers in use at the present time (*but see the Bad News below*). Total Section 8 funding was actually increased by about 3% as compared with last year — a measure of Congress's desire to protect the Section 8 program. In addition, Congress rejected Administration proposals to turn Section 8 into a deregulated block grant program. Congress also eliminated a portion of the Senate bill which would have prohibited housing authorities from engaging in non-partisan voter registration programs in their developments. These all represent important victories for housing advocates.

### The bad news

The bill imposes a 0.8% across-the-board cut on all housing programs. Also, the bill makes further specific cuts in most housing programs and, in regard to Section 8, makes, formalizes, or encourages a number of policy changes that are harmful to residents.

### Section 8

Funding: The funds budgeted by Congress for Section 8 were intended to cover existing vouchers, with some adjustment for inflation. They will not, however, cover vouchers which were authorized but not in use during May-

July 2004. Section 8 is in effect permanently downsized to its June 2004 level. Many housing authorities will be underfunded if their utilization rates have gone up since June; or if their tenants lose jobs or other income (which makes the subsidy per tenant higher); or if rent, heat, or utility costs go up faster than the national average, as is likely to be the case in Connecticut. Although Congress tried to maintain a "current services" level of Section 8 funding, current services will probably be cut.

**Dollar-based budgeting:** The bill formally adopts "dollar-based" budgeting, which HUD had implemented last spring. This means that HUD will continue to give each housing authority a fixed amount of money for its Section 8 program, instead of funding a fixed number of vouchers. This limits how much a housing authority can spend on its vouchers. This policy creates strong incentives to concentrate vouchers (and therefore low-income tenants) in poor neighborhoods with low rents or make tenants with vouchers pay more than 30% of their income as their share of the rent. "Dollar-based" budgeting also helps lay the groundwork for block-granting Section 8 in the future.

**Inflexibility and flexibility:** The bill severely restricts housing authorities' financial flexibility by limiting their reserves and by eliminating a "Central Fund" previously used to supplement funding for housing authorities which have higher than average payouts for rent. This will put strong fiscal pressure on housing authorities not to lease up all their vouchers. This will, in turn, result in housing Authority's receiving less voucher funding in 2006. In contrast, the bill gives HUD greater flexibility to change Section 8 rules to allow housing authorities to cut their costs at the expense of their Section 8 voucher holders. For example, HUD may make it easier for housing

authorities to lower their fair market rents or may allow housing authorities to restrict portability and thereby block tenants from moving to higher-rent towns.

### Other housing programs

The bill imposes funding cuts – in some cases very large funding cuts – on almost every HUD-funded housing program other than Section 8.

*It cuts operating subsidies for public housing by 9%.*

*It reduces HOME funding by 7%.*

*It cuts most other housing programs by about 4% including:*

- ✗ Public Housing Capital Fund
- ✗ HOPE VI (a HUD Program)
- ✗ Community Development Block Grants (CDBG)
- ✗ AIDS Housing
- ✗ Fair Housing Assistance (FHA)
- ✗ Section 202 Elderly Housing
- ✗ Section 811 Disabled Housing
- ✗ Lead-Based Paint Hazard Reduction

It also reduces appropriations for homelessness assistance grants.❖

## **Food Stamp Participation Up**

According to the Food Research and Action Center, participation in the Food Stamp Program in September 2004 increased by 309,321 persons from the previous month, to 24,922,076 persons. The increase is attributed to continuing high rates of joblessness, improved access, and the effects of the food stamp reauthorization implementation. The September 2004 level of Food Stamp Program participation represented a rise of nearly 2.2 million persons compared to last year, and 8 million more persons since July 2000, when program participation nationally reached its lowest point in the last decade.❖

**Save The Date!****The Uninsured: The Exhibition**

The exhibition: The Crisis of America's Uninsured, illustrates what it means to be without health insurance by sharing powerful personal accounts. The show consists of 20 oversized black and white photographs by award-winning photojournalist Ed Kashi, with accompanying text by writer Julie Winokur. The opening reception is on January 4, 2005, from 2-4PM, Second Floor Atrium, LOB. The exhibit will run from January 3, 2005 through January 14, 2005.

This photo exhibit is presented by Health Care For All Coalition, Gretchen Vivier, Director (860) 947-2200 x304.



*Season's Greetings!*

**Legal Assistance Resource Center of CT and CABHN** (Connecticut Alliance for Basic Human Needs)  
80 Jefferson Street  
Hartford, CT 06106

**Immunization Resource**

There is now an online tool to create a "custom" immunization schedule for children five years and younger on the Center for Disease Control (CDC) website. Providers or parents can type in the child's birth date and get a recommended schedule. It's quick and easy. Go to:

[http://www2a.cdc.gov/nip.scheduler\\_le/default.asp](http://www2a.cdc.gov/nip.scheduler_le/default.asp)

**A Gift of Giving**

Covenant to Care's (CTC) Alternative Gift Catalogue offers a unique opportunity to give a gift of hope to a child in need. Gift choices include disposable diapers, a car seat, or a week of summer camp. Go to [www.Covenanttocare.org](http://www.Covenanttocare.org) or call 860-243-1806 for more info.

**CABHN Meetings**  
*held 1<sup>st</sup> Friday of the month*

**9:30 - 11:30 am**

**Upcoming Meeting:**

**January 7th**

Community Renewal Team  
(CRT)

555 Windsor St., Hartford

*Topics:*

2005

*Legislative Session*

*See you there!*

*The Connecticut Alliance for Basic Human Needs (CABHN) is a statewide network of individuals, community groups and organizations which supports and promotes advocacy on low-income issues. For more information, please call (860) 278-5688.*

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