

## 2880.00.00 LUMP SUM PAYMENTS

A lump sum is any type of cumulative payment made to an individual. A payment of retroactive benefits such as SSI, Social Security, Veterans' benefits, **a 13<sup>th</sup> PERF (public employee retirement fund) check** or a refund of Medicare Part B premiums is considered a lump sum. Insurance settlements, inheritances, and lottery winnings are also examples of lump sum payments.

When evaluating a lump sum, the worker must carefully determine whether it is a recurring payment or a non-recurring payment. Non-recurring means the payment is a one-time payment and is not expected to be received from the same source for the same reason as a lump sum again. Conversely, if a payment is expected to be received again from the same source, it is a recurring lump sum payment.