

MANUAL MATERIAL TRANSMITTED					
MANUAL: INCOME MAINTENANCE			CHANGE NUMBER: 180		
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FORM OFS-WVW-1	1/2000		FORM OFS-WVW-1		7/2000
FORM IM-WVW-3	4/97		FORM OFS-WVW-3		7/2000
DATE: JULY, 2000 TO: ALL INCOME MAINTENANCE MANUAL HOLDERS					

This change implements provisions of Senate Bill 577 as it relates to WV WORKS. These changes are effective July 1, 2000.

Changes were made as follows:

Section 1.25,S,2 - For applications made on or after July 1, 2000, the maximum amount of Diversionary Cash Assistance is now computed by using the maximum WV WORKS benefit amount, based on family size, multiplied by 4.

Also, receipt of a DCA payment no longer counts toward the lifetime limit of 60 months or toward the 24-month limit to participate in a work activity. For any DCA approved prior to July 1, 2000, 3 months is counted toward the 60-month and 24-month limits.

Sections 10.3,L and 10.3,KKKK - References were added for the treatment of the Child Support Incentive as a source of income.

Section 10.24,B,2 - A statement was removed which erroneously referred to the \$50 child support unearned income disregard as the Child Support Incentive.

NOTE: In some limited situations, it may be possible that the Worker will receive an alert that a child support payment in excess of the WV WORKS benefit has been sent to the client, but the client is still eligible for WV WORKS. The Worker must review the situation before taking any action.

Work-Around 00-07 Issuing the Child Support Incentive (CSI) (IM Manual Section 10.24,C,2,c)

RAPIDS will: Beginning 7/1/00, using the monthly OSCAR interface file for the previous month, RAPIDS will automatically issue the \$50 CSI payment to all ADCW AG's for which OSCAR has collected Child Support. This will occur automatically, with no worker intervention. The benefit will be displayed on IQAF as ADCW. It can be identified as the CSI payment because of Auxiliary Reason Code 921 shown on IQAD. This process will create the CSI payment only for the current month.

Work-Around: Beginning 7/1/00, when Alert 001 (Check IVFI For New IV-D Info) is received and IVFI indicates that Child Support has been collected for back months, the worker must evaluate each month to determine if a CSI should be issued. Back CSI payments should not be issued via RAPIDS for any month prior to July, 2000.

When the client is due a CSI for any back month, a \$50 auxiliary payment must be issued by the worker using Auxiliary Reason Code 921. The auxiliary will appear on IQAF as ADCW.

The monthly benefit amount is determined according to instructions in Chapter 10 and prorated. Special needs are not prorated. Instead, the full special need amount is added to the prorated amount.

The date eligibility is established must be coded in RAPIDS.

The system's response to approvals includes both the prorated benefit amount for the first month and the full benefit amount for the following month.

(2) Method of Issuance

The initial benefit is issued by RAPIDS.

d. Ongoing Benefit

The ongoing monthly benefit is determined by the data system, based on income coded in the system prior to the deadline date in the month prior to the issuance month.

2. Diversionary Cash Assistance (DCA)

NOTE: When a case is approved for DCA, the AG must not be required to file a new application for Food Stamps. Food Stamp eligibility must be determined based on the information provided on the WV WORKS application.

NOTE: There is a lifetime limit of one DCA payment for each AG. If an AG contains even one member who benefited from a DCA as an adult or emancipated minor, another DCA payment cannot be made to the AG.

Diversionary Cash Assistance (DCA) is a payment method available only to WV WORKS applicants. This method allows a maximum lump sum benefit of an amount equal to the maximum WV WORKS benefit amount, based on family size, multiplied by 4.

DCA provides an opportunity to relieve a temporary financial need as an alternative to receipt of ongoing WV WORKS payments. When the Worker and the applicant are confident that a one-time payment will meet the temporary need, DCA is explored.

WV WORKS eligibility must be established and an initial assessment conducted by the Worker before DCA is considered.

- Compare the amount of the temporary financial need to the maximum DCA amount. If the DCA is sufficient to meet the need, payment is issued for the amount of the temporary need. If the DCA is not sufficient to meet the need, the Worker and the client may determine that the amount that can be met by the DCA is sufficient and that other arrangements can be made to meet the remainder of the need. Otherwise, DCA is not appropriate, and the client is approved for an ongoing WV WORKS check. There are no circumstances under which the maximum DCA payment amount may be exceeded.

c. Determining if DCA is Appropriate

The following guidelines are used to determine if DCA is appropriate.

- The AG must demonstrate a need which cannot be met with current or anticipated family resources.
- A member of the AG must be employed or have a verified promise of employment or other verified source of income within two months of application.
- The AG must be eligible for a WV WORKS check based on the applicant's declaration and the best judgment of the Worker. See Chapter 4 for verification requirements.
- The applicant must agree to accept DCA by signing the Diversionary Cash Assistance Agreement, IM-WVW-3, which lists conditions and expectations.
- Child support received by the parent/caretaker or BCSE belongs to the family and is not used to reimburse the Department for the DCA.
- The applicant must agree to have the WV WORKS application withdrawn. When a DCA payment is accepted, the recipient AG members are ineligible for 4 months, regardless of the DCA amount or the number of months the payment represents. They remain ineligible for 4 months even if they no longer live together. The presence of one AG member who benefited from a DCA, as an adult

used. Note that, in this case, it is assumed that the client has written verification of his employment. Otherwise, contact with the future employer would be necessary to verify the employment. The Worker and the client agree on the amount needed for the family for overnight lodging, rent, utility deposits and food. These items are not verifiable, since the client does not yet have a place to live in the new state and does not know where he will stay overnight on the drive. It is reasonable to assume that these costs will be incurred in moving to another state, and the amount is negotiated.

3. The Medical Card

Medicaid eligibility for WV WORKS recipients is not automatic with receipt of a payment. See Sections 1.6 - 1.22 for information, according to the appropriate Medicaid coverage group.

T. PERSONAL RESPONSIBILITY CONTRACT (PRC)

NOTE: Guidance for completion of Part 2 of the PRC, the Self-Sufficiency Plan is found in Chapter 24.

The Personal Responsibility Contract (PRC), IM-WVW-2, is an agreement between the adult members of the WV WORKS AG and the Worker as the representative of the Department. There are 2 parts to the form. Refusal or other failure, without good cause, to sign either part of the form results in ineligibility for the entire AG. Refusal or other failure, without good cause, to perform any task or to take any other action, never results in a sanction unless it was included in the PRC at the time the refusal or failure occurred. If it was, the appropriate sanction, as found in Chapter 13, is applied.

1. PRC - Part 1

Part 1 of the PRC is the same for all clients. It states the purpose of the WV WORKS Program and lists the client's rights and responsibilities. Each adult AG member must sign Part 1. In addition, the Worker must sign the form as the Department's representative. The client's signature indicates that he understands and accepts the responsibility inherent in the Program. The Worker's signature indicates that he has explained the client's rights and responsibilities and the Department's responsibilities to the client. It also indicates that the Worker has addressed all of the client's questions and concerns before requesting him to sign it.

SOURCE OF INCOME	CONSIDERED AS INCOME FOR:			
	FOOD STAMPS	AFDC MEDICAID, DEEMED AFDC MEDICAID, TM, QC, P.L. PW AND CHILDREN, AFDC/U-RELATED MEDICAID, WV CHIP	PAC, QMB, SLIMB, QI-1 AND QI-2 QDWI, CDCS, AIDS PROGRAMS, SSI-RELATED MEDICAID	WV WORKS; DCA Eligibility
L. CHILD SUPPORT (Continued) 2. Arrearages NOTE: SEPARATE ENTRY FOR SPOUSAL SUPPORT NOTE: For Child Support Incentive (CSI) See Section 10.3, KKKK	2. a. WV WORKS Recipients When redirected, only the amount forwarded to the client by BCSE is counted as income. When not redirected to BCSE, no portion is counted as income. b. All Others Unearned	2. Unearned When redirected, only the amount forwarded to the client by BCSE is counted as income. When not redirected to BCSE, the entire portion is counted as income.	2. Unearned When redirected, only the amount forwarded to the client by BCSE is counted as income. When not redirected to BCSE, the entire portion is counted as income.	2. Unearned When redirected, only the amount forwarded to the client by BCSE is counted as income. When not redirected to BCSE, the entire portion is counted as income.
M. CHORE SERVICE PROVIDER INCOME	Earned if an employee; Self-Employment	Earned if an employee; Self-Employment	Earned if an employee; Self-Employment	Earned if an employee; Self-Employment
N. COMMISSIONS	See Employment	See Employment	See Employment	See Employment
O. COMMUNITY DEVELOPMENT BLOCK GRANTS AND LOANS	No	No	No	Unearned
P. DAY CARE AND OTHER CARE PROVIDER INCOME (Child and Adult)	Earned if an employee; Self-Employment	Earned if an employee; Self-Employment	Earned if an employee; Self-Employment	Earned if an employee; Self-Employment
Q. DEATH INSURANCE BENEFITS	Unearned, lump sum	Unearned, lump sum	Unearned	Unearned, lump sum

SOURCE OF INCOME	CONSIDERED AS INCOME FOR:			
	FOOD STAMPS	AFDC MEDICAID, DEEMED AFDC MEDICAID, TM, QC, P.L. PW AND CHILDREN, AFDC/U-RELATED MEDICAID, WV CHIP	PAC, QMB, SLIMB, QI-1 AND QI-2 QDWI, CDCS, AIDS PROGRAMS, SSI-RELATED MEDICAID	WV WORKS; DCA Eligibility
<p>KKKK. WV WORKS PAYMENTS</p> <p>1. Ongoing Payments</p> <p>2. Corrective and Retro-active Payments</p> <p>3. Child Support Incentive (CSI)</p>	<p>1. Unearned. Do not count amount of special needs added to WV WORKS check. The marriage incentive, as part of the WV WORKS check, is not a special need and is counted.</p> <p>2. No, except a payment received in the month for which it is intended</p> <p>3. Unearned</p>	<p>1. Payments from other states are counted as unearned income.</p> <p>2. No</p> <p>3. No</p>	<p>1. No</p> <p>2. No</p> <p>3. No</p>	<p>1. Payments from other states are counted as unearned income</p> <p>2. No</p> <p>3. No</p>
<p>LLLL. YOUTHBUILD PROGRAM (HUD)</p>	See JTPA	See JTPA	See JTPA	See JTPA

Projected income is determined as follows.

Step 1: See above.

Step 2: See above.

Step 3: Earnings of $\$700 \div 4 = \175 average.
UCI of $\$150 \div 2 = \75 average.
Earnings of $\$1200 \div 12 = \100 average.

Step 4: Weekly earnings of $\$175 \times 4.3 = \752.50
converted.
Biweekly UCI of $\$75 \times 2.15 = \161.25 converted.
Annual contract earnings = $\$100$ converted.

Step 5: $\$752.50$
 $+100.00$
 $\$852.50$ Projected monthly earned income

Step 6: $\$161.25$ Projected monthly unearned income

B. INCOME DISREGARDS AND DEDUCTIONS

The following disregards and deductions are applied to income.

1. Earned Income

If new employment is not reported, without good cause, within 10 days of the date an AG member or disqualified person begins the employment, the earned income disregards and deductions are not applied to any month's income for which earnings were not reported. These same disregards and deductions are not applied to any earnings received during the time the employment is unreported. In addition, when new employment is not reported, as required by the PRC, the appropriate sanction is applied. See Chapter 13.

a. Earned Income Disregard

The gross earned income of all AG members is reduced by 60%. The remaining amount is the countable earned income.

- The child support payment is received during the effective month of approval of the application. The Worker considers the unredirected child support payment in excess of \$50 as income only in the month of application.
- It is the initial child support payment that is received by a recipient. The overpayment is recovered through the BCSE repayment process and the child support payment is not counted as income.

All child support must be redirected, unless only a DCA payment is received.

C. DETERMINING ELIGIBILITY AND BENEFIT LEVEL

NOTE: See Section 2.17,D for the procedure used to determine an individual's portion of a cash assistance check when requested by SSA for an SSI recipient.

To determine eligibility for a DCA payment, see Chapter 1. Countable income is used to determine eligibility only. It is not used to determine the amount of the DCA payment.

NOTE: The income of the disqualified person(s) is included in determining the amount of income available to the AG. However, the needs of the disqualified person(s) are not considered in any step of the eligibility determination process.

NOTE: The earned income of a child or parent, under age 18, who is enrolled in secondary school or a program for a GED, is disregarded at all steps of the eligibility determination process.

1. Determining Eligibility - 100% of Need Test

The AG is ineligible in any month that its non-excluded monthly gross income exceeds 100% of the Standard of Need. The test is applied as follows:

- Step 1: Add together the total non-excluded gross earned income, the gross profit from self-employment and the non-excluded gross unearned income of the AG and any disqualified person(s).
- Step 2: Determine the 100% of Need amount in Appendix A of this Chapter for the appropriate AG size, excluding the disqualified person(s).

- Residents of homeless or domestic violence shelters or rehabilitation or treatment centers where the family of the patient is allowed to reside.
- An individual who would otherwise be included, but is excluded by law, lives with the AG. These are as follows:
 - Individuals who cannot be included in the AG because they have been convicted in federal or state court of having made a fraudulent statement or representation about residence to receive TANF, WV WORKS, Medicaid, Food Stamps or SSI.
 - Individuals who cannot be included in the AG because they are fleeing to avoid prosecution, or custody/confinement after conviction, for a felony or an attempt to commit a felony.
 - Individuals who cannot be included in the AG because they are violating a condition of probation or parole which was imposed under federal or state law.
 - Individuals who cannot be included in the AG because they have been convicted on or after 8/23/96 of a felony under federal or state law when the offense involves the possession, use or distribution of a controlled substance, as defined in Section 102(6) of the Controlled Substance Act.
 - Parent(s) disqualified for failure to report that child is or will be absent from the home for more than 30 days.

NOTE: The reduction is applied to the benefit amount after all disregards and deductions are applied to income. The reduction is never more than 25%, regardless of the number of non-AG members living in the home.

The reduction is effective at application or the month following the month in which the person(s)

approval. For all other applicants and recipients, the CSI is effective the month following the month child support is redirected. If child support is not paid to BCSE for a given month, no CSI is issued for that given month in the following month.

Adverse action notice requirements DO NOT apply when a CSI will not be paid. However, they do apply when receipt of the CSI affects another benefit. When BCSE collects support intended to cover more than one month, a supplemental CSI must be issued separately for each prior month that the support was intended to cover.

EXAMPLE: An AG receives WV WORKS in June, July and August, but no child support is received by BCSE. In September, the absent parent's employer sends support payments to BCSE which they have withheld since June. A CSI is sent in October for September's support, and supplemental CSI's are issued to the AG for June, July, and August.

There is no limit to the number of months for which supplemental CSI's must be issued, when it is determined that the AG received WV WORKS and child support was redirected. However, no CSI supplemental checks may be issued for months prior to July, 2000.

When a WV WORKS case is closed, and child support is received by BCSE in the effective month of closure, a CSI is issued in the month after closure for the child support received in the effective month of closure.

EXAMPLE: A WV WORKS AG is closed effective August for excessive earned income. The last month of receipt of a WV WORKS benefit is August, and child support is received by BCSE in August. A \$50 CSI is issued in September for August.

When received ineligibly, the CSI is subject to repayment. See Section 20.3. Received eligibly includes, but is not limited to, BCSE crediting a payment to the wrong case, or the client failed to report income and received a WV WORKS benefit ineligibly.

D. SPECIAL SITUATIONS

1. Categorical Eligibility

Food Stamp Categorical Eligibility has no bearing on the WV WORKS check or how the check is issued.

2. Expedited Service

The Food Stamp requirement of Expedited Service has no bearing on the WV WORKS check or how the check is issued.

3. Destitute AG's

The Food Stamp requirement of Destitute AG's has no bearing on the WV WORKS check or how the check is issued.

4. Self-Employment Income

When the AG member or disqualified individual(s) receives self-employment income, the instructions below must be used to arrive at the gross profit which is used to calculate countable income. This is determined by subtracting allowable business expenses from the gross income.

a. Determining Gross Income

The method used to determine monthly gross income from self-employment varies with the nature of the enterprise. It is necessary to determine which of the following types of self-employment applies to the client's situation. Once the pattern of self-employment is determined, this is used to determine how the income is counted.

(1) Persons Receiving Regular Income

These persons receive income on a more or less regular schedule (weekly, monthly, etc.), or receive a specific amount from the business each week or month and/or receive the balance of profit from the enterprise at the end of the business year.

WV WORKS COMPUTATION SHEET

Eligibility Determination (WV WORKS and DCA)

Case Name _____

Case Number _____

Assistance Group Size _____

- 1. \$ _____ Gross Monthly Non-Excluded Earned Income
- 2. + _____ Gross Monthly Non-Excluded Unearned Income
- 3. \$ _____ Total Monthly Non-Excluded Income
- 4. \$ _____ 100% Standard of Need for Family Size

If Step 3 is greater than Step 4, the family is not eligible. If Step 4 is equal to or greater than Step 3, the family is eligible. Complete Side 2.

Eligible

Ineligible



Complete Side 2

Worker Signature

Date

**WV WORKS PROGRAM
DIVERSIONARY CASH ASSISTANCE AGREEMENT**

I (Parent/Caretaker _____) SSN: _____

I (Parent/Caretaker _____) SSN: _____

- To accept a one-time diversionary cash assistance payment in the amount of \$ _____ to meet immediate needs instead of receiving a regular monthly cash assistance payment from the state. I am employed or have the strong possibility of being employed or expect to have other specific means of self-support within the next two months.
- To have the Office of Family Support withdraw my application for regular cash assistance effective this date.
- I have had explained to me the employment, Food Stamps, medical, child care, and child support services that are available and how to apply.

I UNDERSTAND THAT:

- I may reapply for monthly cash assistance.
- I will be ineligible for monthly cash assistance for four months beginning with the month diversionary cash assistance payments were issued.
- I understand that acceptance of a diversionary cash assistance payment will not count toward my 60-month lifetime limit for receipt of monthly cash assistance unless the payment is approved prior to 7/1/00.
- I need to immediately report employment and other income to my workers in order to be evaluated for continued medical services.
- If I need assistance in collecting child support, the Bureau of Child Support Enforcement is available to assist me in collecting child support.

I understand that this diversionary cash assistance payments is to enable me to meet my current financial needs while I secure employment and/or other means of self-support. I understand that it is a criminal violation of federal and state law to provide false or misleading information for the purpose of receiving benefits. I understand my responsibility to provide complete and truthful information and that information provided by me may be verified.

Parent/Caretaker's Signature

Date

Parent/Caretaker's Signature

Date

Family Support Specialist's Signature

Date