

MANUAL MATERIAL TRANSMITTED

| MANUAL: INCOME MAINTENANCE | | | CHANGE NUMBER: 69 | | |
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Chapter 10

Instructions for determining the amount of the child support disregard when more than one child in the Needs Group receives support were added to Sections 10.10, 10.12 and 10.21 for QC and PL Children and AFDC/U-Related Medicaid.

A NOTE was added to Section 10.22,D,4 regarding the treatment of income of separated spouses.

Chapter 11

German Reparation Payments was removed and is now included in Nazi Persecution Victims Payments which was added. These payments are being added to Chapter 10 in an upcoming change.

Clarifying information was added to Section 11.4,HH,3 for SSI-Related Medicaid, CDCS, PAC, QDWI, QMB and SLIMB. The policy included in this section applies to vehicles which belong to members of the benefit group or to vehicles which belong to an individual whose assets are used to determine the benefit group's eligibility.

Chapter 13

Information about procedures used when a JOBS or JOIN mandatory TANF recipient complies during a sanction period or after the expiration of a sanction, which was removed in error in a previous change, has been added to Sections 13.27,A and B.

Chapter 15

A change was made to Section 15.3,C,3 after consultation with CSED. When the client's claim of good cause is not established, the Worker must notify the client and offer him the opportunity to cooperate. If the client still refuses to cooperate, the penalty is imposed after expiration of the notice period.

Chapter 23

Reissuance of Returned Benefits was added to the list of circumstances in which a WEKR is used to issue Food Stamps.

Questions should be directed to the IM Policy Unit in the Office of Family Support.

In addition, Food Stamps may be changed from an F number to an A, B, D, C or U number.

When case circumstances change so that the benefit group becomes eligible for additional disregards or deductions, the Worker must make data system changes and determine if supplemental benefits are required. See Chapters 10 and 23.

3. Change In Benefit Group

The addition of an eligible individual to the benefit group is made effective the month after the change is reported. When the data system deadline has passed, benefits are restored for the month following the month in which the change was reported. When the addition results in a decrease in benefits, it is effective the month after the change is reported if there is time to issue advance notice. If not, the change is effective 2 months after it occurs, but no claim is established unless the client failed to report in a timely manner, and this is the reason the change could not be made within 13 days.

When the client does not report in a timely manner and the change could have been made earlier, the change must be made no later than the month after the expiration of the 13-day advance notice period.

4. Change In Income

When a client reports the loss of UCI income, the Worker must evaluate the circumstances to determine if the Food Stamp work penalty must be applied. The penalty is applied when the individual is exempt from Food Stamp work requirement due solely to the fact that the client was registered with BEP. Good cause for failure to comply with a BEP requirement includes all situations described in Section 13.3,C. These are the same as good cause for voluntarily quitting a job.

See Chapters 7 and 10 for other changes in income.

5. Change Of Address

A change of address is made in the data system as soon as the client reports it. Any other changes which the client reports, in addition to the address change, are also acted on at the same time, when notice requirements permit.

- Identify the month(s) in which benefits have been lost
- Determine the amount of benefits to restore
- Offset lost benefits by the amount of any existing claim against the benefit group

NOTE: Initial allotments must not be used to offset a claim. See Chapter 1.

- Restore benefits within 30 days of the discovery.

EXCEPTION: When benefits are restored due to reversal of an IPV disqualification penalty, benefits must be restored within 45 days of the date of notification.

5. How Benefits Are Restored

Lost benefits are restored by issuing a one-time allotment to cover the amount of lost benefits.

However, the client may request that lost benefits be restored in monthly installments. The Worker determines if the request is reasonable.

When benefits must be restored to a benefit group and the composition has changed, benefits are issued to the benefit group containing a majority of the individuals who were in the benefit group at the time the loss occurred.

If the benefit group containing the majority cannot be located or otherwise determined, benefits are restored to the benefit group containing the person who was designated as the Head of Household at the time the loss occurred. If this person cannot be located, benefits are not restored.

6. Returned Benefits

The following process takes place when FS issued in the C-219 data system are returned to the State Office for any reason, except repayment for a claim:

- The FS are returned to the issuance inventory.

2.3 TANF

A. SOURCES OF INFORMATION

In addition to the sources in Section 2.1, case maintenance action may also originate from the following sources:

- Information from the Office of Social Services: This includes, but is not limited to, Day Care, CPS and Foster Care.
- Information from CSED: This may include the return of the absent parent, the receipt of child support in excess of the TANF or WV WORKS check or a change in an individual's deprivation factor.
- Information from JOBS/FSE&T: This may include a change in JOBS/FSE&T registration status, a request for application of a penalty or sanction or a report of new income or a change in income.
- Form ES-CG-CM-1: Although the purpose of this form is to collect information for the Food Stamp Program, the client may report other changes which affect the check.
- Form ES-FS-2: Although the client uses this to report changes in his Food Stamp case, he may report information which also affects the check.
- Monthly Case Action Report, WEA380P1: This printout is received in the county office monthly. It is accompanied by a computer-generated dump sheet for each case on the printout. The information sheet shows the reason(s) the case is selected. The following types of case maintenance are identified by this printout:
 - Quarterly Reporting: Cases required to QR are noted with an asterick on the printout. See Chapter 7 for the QR process.
 - Check E6 Status: The Worker must evaluate and change the client's JOBS registration status when this exemption no longer applies.
 - Duplicate SSN: The same SSN has been entered in one or more other cases in the C-219 system. Check to assure that the client's SSN is correct in the data system and change if appropriate. Take any other corrective action necessary.

- SDX Need to Open, WESDX101P3: Received weekly and lists SSI recipients. The Worker must remove the SSI recipient from AFDC/U cases. SSI income must be coded for Food Stamps, if appropriate. See Chapter 1.
- County List of SSI Recipients, WESDX100P1: Received monthly and lists all recipients of SSI. It provides income information and may be used to verify income for Food Stamps. See 2.
- ARTS Exception Report, WEA627P2: Received monthly by the Repayments Officer and lists cases with repayment which do not match ARTS information. The Repayment Officer must check case and take appropriate action to enter case in ARTS, remove repayment if complete, or correct C-219 or ARTS case information.
- Births Due In (mm/yy), WEA396P1: Received monthly, after deadline. Cases with special coding in Blocks 49 or 55 in the C-219 system appear on the printout. The special coding indicates that a child is due to be born in the following month. Form IM-CM-2 is mailed to the client at the same time the printout is produced. The individual designated by the CSM is responsible for clearing this printout by making sure that the newborn child is added to the check and/or medical card and that the change is transmitted within 5 working days of its birth. If the family is also receiving Food Stamps, the child must be added to the Food Stamp benefit group at the same time.

Other printouts which are received may provide information which is used in the case maintenance process, but do not require a specific case action. These include:

- C/U County Payroll, WEA140P1
- PA Food Stamp Authorization, WES142P1
- Daily Pickups (Food Stamps), WEA930AP1
- PA Cases Having A-K in Block 45, WEAR2802P1

B. REPORTING REQUIREMENTS

1. What Must Be Reported

All changes in income, assets, household composition and circumstances must be reported.

b. Retroactive Payments

A retroactive payment is made when, at any time during the appeal process, it is found that, due to a Department error, the client did not receive a payment for which he was eligible, or that the payment he received was less than that to which he was entitled. The appeal process begins when the client requests a formal appeal. The retroactive payment covers the period over which the error occurred and is computed in the same manner as a corrective payment. Payment is made using the AP-3 transaction when the case is active. For inactive cases, form ES-AP-3 is submitted to the Accounts Receivable Office.

Retroactive payments are also made when eligibility is determined in a month(s) following the month of application and the client is eligible for benefits in the prior month(s).

2. Correcting The Address

When the TANF or WV WORKS check is returned to the Accounts Receivable Office, and an ES-14 has not already been received, form DF-10, Returned Check Notice, is sent to the appropriate county office.

When the Worker receives the DF-10, he must determine the correct disposition of the check, complete the ES-14, and return it and the DF-10 copy to Accounts Receivable. When an ES-14 is sent prior to receipt of the DF-10, the Worker must note See ES-14 Submitted (Date) on the DF-10, and forward the original copy to Accounts Receivable.

The ES-14 must not be delayed for receipt of the DF-10, when the Worker knows that the check was mailed to an incorrect address, and has the information to complete the ES-14 prior to receipt of the DF-10. The Worker checks box 2 in Section A on the ES-14, Returned to the State Office.

3. Correcting The Payee

When a check is issued and the payee must be changed for any reason, i.e., death of the payee or payee leaves the home, the Worker notifies Accounts Receivable using form ES-14.

decision using the above criteria, the Supervisor makes the decision.

A minor parent (mp) is treated as a dependent child in the benefit group when:

- An application is made by a caretaker relative who has care and control of both the mp and her child.
- An application is made for the mp only by a caretaker relative who has care and control of the mp.

NOTE: The mp who lives with a spouse cannot be considered a dependent child.

NOTE: When the mp is a dependent child, she must be included on the benefit group with her dependent blood-related siblings who are otherwise eligible.

The mp is treated as the caretaker relative anytime she has care and control of her own child.

NOTE: When the mp and the other legal parent of the child live together, regardless of marital status, it is assumed that they are the caretakers of their child. However, when the mp lives with a spouse who is not the other legal parent of the child, it is not assumed that the mp is the caretaker of the child.

When an individual in the home, other than the mp, has care and control of the mp's child and applies for AFDC for the child, the mp who lives in the home must be included in the benefit group because she is the parent of the child, not because she is the caretaker relative. In this situation, the mp is considered to be the non-caretaker parent. The individual who has care and control of the mp's child is the caretaker relative of the child.

NOTE: The mp must be treated the same for the income group and for the benefit group, i.e., when the mp is treated as a dependent child in the benefit group, the mp's own income is treated as that of a child. When the mp is treated as a caretaker relative or a non-caretaker parent, the income is treated as that of an adult.

EXAMPLE: Household consists of Mr. and Mrs. C, their two children, and her child from a previous marriage. Mr. C is employed full-time. Therefore, he and his children are not eligible to be included. The benefit group consists of Mrs. C and her child. Mr. C's income is deemed to the benefit group according to instructions in Chapter 10. In addition, Mr. C's assets are considered when determining eligibility, since Mrs. C is included in the benefit group. See Chapter 11.

EXAMPLE: Household consists of Mr. and Mrs. D and their three children. One of the three children receives SSI.

9.7 QUALIFIED AND POVERTY-LEVEL CHILDREN

NOTE: SSI recipients, whether they are adults or children, are not included in the Benefit, Income or Needs Group.

A. THE BENEFIT GROUP

1. Who Must Be Included

The Qualified or Poverty-Level child must be included.

2. Who Cannot Be Included

Only the Qualified or Poverty-Level Child is included.

B. THE INCOME GROUP

The income of the following individuals is used to determine the child's eligibility:

- The child
- The child's mother, if living in the home
- The child's legal father, if living in the home
- The Qualified Child's legal spouse, if living in the home

C. THE NEEDS GROUPS

The needs group for these coverage groups is the Standard Filing Unit (SFU).

It must include the following:

- The child
- The child's mother, if living in the home
- The child's legal father, if living in the home
- The child's legal spouse, if living in the home
- The child's blood-related or adopted siblings, if living in the home

Countable income is compared to the income limit for the number of persons in the SFU to determine financial eligibility.

9.8 POVERTY-LEVEL PREGNANT WOMEN

NOTE: SSI recipients, whether they are adults or children, are not included in the Benefit, Income or Needs Group.

A. THE BENEFIT GROUP

1. Who Must Be Included

The pregnant woman must be included.

2. Who Cannot Be Included

Only the pregnant woman is included. Do not include the unborn child.

B. THE INCOME GROUP

The income of the following individuals is used to determine eligibility for the Poverty-Level pregnant woman:

- The pregnant woman
- The legal father of the unborn child, if living in the home, including the legal father who is court ordered to perform unpaid public work or community service.
- The parent(s) of an under 18 year-old pregnant woman, when she lives with her parent(s).

See Chapter 10 to determine how the income is counted.

C. THE NEEDS GROUP

The needs group for Poverty-Level pregnant women is the Standard Filing Unit (SFU).

It must include the following:

- The pregnant woman
- The unborn child or children, when a multiple birth is medically verified
- The legal father of the unborn child, if living in the home, but not if he is court-ordered to perform unpaid public work or community service.
- Children of the pregnant woman and other blood-related siblings of the unborn child

9.18 AFDC/U-RELATED MEDICAID

NOTE: SSI recipients, whether they are adults or children, are not included in the Benefit, Income or Needs Group.

A. THE BENEFIT GROUP

See Section 9.2,A.

B. THE INCOME GROUP

The income counted depends on the benefit group member. Each member listed shows the income which is counted to determine his eligibility. Only the income of individuals who live in the home with the benefit group member is counted.

1. Parent

Count the income of:

- The parent
- The legal spouse of the parent

See Chapter 10 for deeming instructions.

2. Child, Including The Minor Parent (mp) Who Is A Dependent Child

Count the income of:

- The child
- The parent(s) of the child

NOTE: The income of a child is never counted for a parent or a sibling.

3. The Minor Parent (mp) Who Is A Caretaker Relative

Count the income of:

- The mp
- The MP(s)

See Chapter 10 for deeming instructions.

dependent is not required to be in the SFU for the deduction to be applied.

2. Unearned Income

The first \$50 of child support is disregarded. This is the only disregard of unearned income.

When more than one child in the Needs Group receives child support, the disregard amount is divided by the number of children in the Needs Group who receive support. The resulting amount is deducted from each child's support amount to determine each child's countable child support.

EXAMPLE: Four blood-related siblings live in the same home and receive the following amounts of child support: Child A receives \$150 per month; Child B receives \$200; Child C receives \$50; Child D receives \$100. The \$50 disregard is divided by 4 and each child receives a disregard of \$12.50.

Child A

| | |
|----------------|-------------------------|
| \$200.00 | Child Support |
| <u>- 12.50</u> | Disregard |
| \$187.50 | Countable Child Support |

Child B

| | |
|----------------|-------------------------|
| \$150.00 | Child Support |
| <u>- 12.50</u> | Disregard |
| \$137.50 | Countable Child Support |

Child C

| | |
|---------------|-------------------------|
| \$50.00 | Child Support |
| <u>-12.50</u> | Disregard |
| \$37.50 | Countable Child Support |

Child D

| | |
|----------------|-------------------------|
| \$100.00 | Child Support |
| <u>- 12.50</u> | Disregard |
| \$ 87.50 | Countable Child Support |

B. DETERMINING ELIGIBILITY

The AFDC/U 185% and 100% of Need tests are not applied.

Countable income is determined by subtracting allowable deductions and disregards from the total gross non-excluded income. The net monthly countable income must be less than the AFDC/U payment level for the appropriate SFU size.

1. General Rules

The following general rules apply, assuming that the gross non-excluded earned income is \$90 or more:

- If the SFU has only unearned income, and the amount is at or below 100% FPL for the appropriate SFU size, the child is eligible as a QC.
- If the SFU has only earned income, and the gross amount is at or below 100% FPL plus \$90, for the appropriate SFU size, the child is eligible as a QC.
- If the combination of the gross earned income plus unearned income is at or below 100% FPL plus \$90, for the appropriate SFU size, the child is eligible as a QC.

2. Specific Steps

Under any circumstances other than those in item 1 above, the following steps must be completed:

- Step 1: Determine the amount of monthly gross non-excluded earned income of the SFU. Do not include the income of any sibling of the QC.
- Step 2: Subtract the AFDC/U Standard Work Deduction for each working individual.
- Step 3: Subtract the AFDC/U Dependent Care Deduction up to the maximum allowable amounts. The maximum amounts of the

10.12 **MEDICAID FOR POVERTY-LEVEL CHILDREN UNDER AGE 1, AGES 1-5
AND AGES 6-18 If Born On Or After 10/1/83 (Categorically
Needy, Mandatory)**

NOTE: The spenddown provision does not apply.

The process for determining eligibility is the same for Poverty-Level Children Under Age 1, Ages 1-5 and Ages 6-18 (born on or after 10/1/83). However, once the countable income is determined, it is compared to different percentages of the current FPL, based on the age of the child.

A. INCOME DISREGARDS AND DEDUCTIONS

The following disregards and deductions are applied to the income of the Poverty-Level child's SFU and are used in the order listed.

1. Earned Income

- AFDC/U Standard Work Deduction: The deduction is applied to the earned income or gross profit from self-employment of each working person. The amount of the deduction must not exceed the amount of earned income or gross profit of each person.
- AFDC/U Dependent Care Deduction: When the employed member(s) of the SFU must pay for dependent care to accept or continue employment or training, the Deduction is applied. The amount is applied as paid, up to the maximum amounts allowable under the TANF Program. See Section 10.5,B,1. The dependent is not required to be in the SFU for the deduction to be applied.

2. Unearned Income

The first \$50 of child support is disregarded. This is the only disregard of unearned income.

When more than one child in the Needs Group receives child support, the disregard amount is divided by the number of children in the Needs Group who receive support. The resulting amount is deducted from each child's support amount to determine each child's countable child support.

Jane and John

The child support amount of \$200 is divided between the children and each child's amount is \$100. The \$50 disregard is divided between the two children as they are both in the Needs Group and each receives a \$25 disregard.

| | |
|-------|-------------------------|
| \$100 | Child Support per Child |
| - 25 | Disregard |
| \$ 75 | Countable Child Support |

Joan

Because Jim receives no child support and Joan is the only child in the Needs Group who receives child support, she receives the entire \$50 disregard.

| | |
|-------|-------------------------|
| \$150 | Child Support |
| - 50 | Disregard |
| \$100 | Countable Child Support |

B. DETERMINING ELIGIBILITY

NOTE: The AFDC/U 185% and 100% of Need tests are not applied.

Countable income is determined by subtracting allowable disregards and deductions from the total gross non-excluded income. The net monthly countable income of the SFU must not exceed the amounts specified in Step 5 below and in Appendix A.

- Step 1: Determine the amount of monthly gross non-excluded earned income of the SFU. Do not include the income of any sibling of the Poverty-Level child.
- Step 2: Subtract the AFDC/U Standard Work Deduction for each employed person.
- Step 3: Subtract the AFDC/U Dependent Care Deduction up to the maximum allowable amounts. Eligibility for and the maximum amounts of the deduction are determined as for AFDC/U. See Section 10.5,B,1.

10.21 AFDC/U-RELATED MEDICAID (Medically Needy, Mandatory For Children and Optional For Parents)

NOTE: Spenddown provisions apply.

A. BUDGETING METHOD

In addition to the information in Section 10.6,B, some Medically Needy cases may have other considerations, because Medically Needy cases have a fixed Period of Consideration (POC), and the total income for the 6-month POC is used to determine the spenddown amount. Therefore, the Worker must take the following steps when the income is expected to change during the POC.

Step 1: Determine the specific months which will constitute the POC.

Step 2: Determine the anticipated earned income for each of the 6 months, according to Section 10.6,B.

Step 3: Determine the anticipated unearned income for each of the 6 months, according to Section 10.6,B.

Step 4: Add all of the earned income from Step 2 and divide by 6 to determine the average anticipated earned income for the POC.

NOTE: When there is no earned income in a month, use \$0 as income for that month, but always divide by 6.

Step 5: Add all of the unearned income from Step 3 and divide by 6 to determine the average anticipated unearned income for the POC.

NOTE: When there is no unearned income in a month, use \$0 as income for that month, but always divide by 6.

B. INCOME DISREGARDS AND DEDUCTIONS

The following disregards and deductions are applied, if applicable.

Child C

| | |
|---------------|-------------------------|
| \$50.00 | Child Support |
| <u>-12.50</u> | Disregard |
| \$37.50 | Countable Child Support |

Child D

| | |
|----------------|-------------------------|
| \$100.00 | Child Support |
| <u>- 12.50</u> | Disregard |
| \$ 87.50 | Countable Child Support |

EXAMPLE: Mrs. E applies for Medicaid for her four grandchildren who live with her. Jane and John are blood-related siblings and are the children of Mrs. E's daughter, Samantha. They receive \$200 child support. Joan and Jim are blood-related siblings and are the children of Mrs. E's other daughter, Virginia. Joan receives \$150 child support and Jim receives none. Because all of Mrs. E's grandchildren are not blood-related siblings, 2 Needs Groups are established; one for Jane and John; one for Joan and Jim. Each Needs Group then receives the \$50 disregard.

The countable child support for each child is as follows:

Jane and John

The child support amount of \$200 is divided between the children and each child's amount is \$100. The \$50 disregard is divided between the two children as they are both in the Needs Group and each receives a \$25 disregard.

| | |
|-------------|-------------------------|
| \$100 | Child Support per Child |
| <u>- 25</u> | Disregard |
| \$ 75 | Countable Child Support |

Joan

Because Jim receives no child support and Joan is the only child in the Needs Group who receives child support, she receives the entire \$50 disregard.

D. SPECIAL SITUATIONS

1. Self-Employment

Self-employment income is treated the same way it is for AFDC/U. See Section 10.5,D.

2. Annual Contract Employment

Annual contract employment is treated the same way it is for AFDC/U. See Section 10.5,D.

3. Educational Income

Educational income is treated the same way it is for AFDC/U. See Section 10.5,D.

4. Deeming

NOTE: When determining income to be deemed to an eligible client, public assistance maintenance income, as defined by SSA, not by OIM, of the spouse or parent from whom income is deemed is excluded in the deeming process, i.e., it is not deemed. In addition, any income which was considered (counted or excluded) in computing the

greater than the Allocation Standard, the ineligible spouse's income is added to the eligible spouse's income. These are the SSI deeming provisions, which also require use of the couple income limit to determine eligibility for the individual when income is deemed. If the SSI-Related individual is a child, the income of the parent(s) is also deemed, and the above exclusions are applied to their income.

NOTE: The income of separated spouses is not counted or deemed beginning in the month following the month in which the couple separates.

a. Deeming From Ineligible Spouse to SSI-Related Spouse

The deeming calculations are as follows:

Step 1: Determine the ineligible spouse's total non-excluded unearned income.

Step 2: Subtract the needs of all ineligible dependent children.

The needs of each ineligible child is determined separately by subtracting the child's income from the Allocation Standard. The difference, if any, represents the child's needs.

EXAMPLE; SSI payment level for 1 and 2 persons is \$484 and \$726. The Allocation Standard is \$242. Child #1's income is \$248. Because the child's income exceeds \$242, there is no deduction for Child #1's needs. Child #2's income is \$40. The allocation for this child's needs is \$202.

After a separate determination is made for each child, the allocations are added together and then subtracted from income.

Step 3: Determine the ineligible spouse's total gross non-excluded earned income.

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LIST OF ASSETS

K. EQUIPMENT ESSENTIAL FOR EMPLOYMENT

| | | |
|------|-----|------|
| No * | Yes | No * |
|------|-----|------|

Food Stamps: Property, such as the tools of a tradesman or the machinery of a farmer, which is essential to the employment or self-employment of a benefit group member. Property essential to the self-employment of a benefit group member engaged in farming is excluded for one year from the date he terminates his farming self-employment.

SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB: Property which is required by the individual's employer is excluded, regardless of value, as long as the individual is employed. Examples of this type of equipment include tools, uniforms, safety equipment, and other similar equipment.

Also see Business and Non-Business Personal Property, and Real Property.

L. FOOD STAMPS

| | | |
|----|----|----|
| No | No | No |
|----|----|----|

M. HIGHWAY RELOCATION ASSISTANCE
PAYMENTS AND URBAN RENEWAL RELOCATION
PAYMENTS

| | | |
|----|----|----|
| No | No | No |
|----|----|----|

These payments are made for moving costs for displaced persons, and may be paid to supplement payments or other costs of purchasing a home in a new location.

N. HOUSEHOLD FURNISHINGS, PERSONAL
EFFECTS AND PETS

| | | |
|----|----|----|
| No | No | No |
|----|----|----|

Furniture, appliances, personal effects such as clothing, jewelry, and pets.

O. INCOME TAX REFUNDS

| | | |
|-----|-----|-----|
| Yes | Yes | Yes |
|-----|-----|-----|

Also see EITC.

| |
|----------------|
| LIST OF ASSETS |
|----------------|

individual is needed to surrender a policy for its full cash surrender value, and the consent cannot be obtained, the policy is not an asset. Assignment of a life insurance policy to another individual means consent of that individual is required before it can be cashed.

| | | | |
|---|----|----|----|
| S. LIEAP (Low-Income Energy Assistance Program) AND ENERGY CRISIS INTERVENTION PAYMENTS | No | No | No |
|---|----|----|----|

| | | | |
|---------------------------|-------|-------|-------|
| T. LOANS, NON-EDUCATIONAL | Yes * | Yes * | Yes * |
|---------------------------|-------|-------|-------|

Food Stamps: Loans for which there is a verbal or written statement to repay are excluded.

TANF and AFDC/U-Related Medicaid: Loans which meet the definition of Bona Fide loans, as found in Chapter 10, are excluded as assets.

SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB: Loans received under conditions which preclude their use for living expenses are excluded.

| | | | |
|----------------------|----|----|----|
| U. LUMP SUM PAYMENTS | No | No | No |
|----------------------|----|----|----|

Lump sum payments are not counted as assets when counted as income. See Chapter 10.

When a lump-sum payment is received prior to the month of application, the amount retained during the month of application is an asset. When a lump sum payment is received by someone being added to an active benefit group, the amount retained during his month of application is an asset.

| | | | |
|-----------------|-----|-----|-----|
| V. MUTUAL FUNDS | Yes | Yes | Yes |
|-----------------|-----|-----|-----|

LIST OF ASSETS

Z. PRODUCE AND LIVESTOCK FOR HOME
CONSUMPTION

| | | |
|----|----|----|
| No | No | No |
|----|----|----|

AA. REAL PROPERTY

Also see Business and Non-Business Personal Property.

LIST OF ASSETS

the two estimates on Vehicle B. Therefore, the countable equity is determined as follows:

| Vehicle A | Vehicle B | Vehicle C |
|-------------------|-------------------|-------------------|
| \$2,500 | \$1,000 | \$1,200 |
| <u>- 300</u> Owed | <u>- 400</u> Owed | <u>- 500</u> Owed |
| \$2,200 Equity | \$ 600 Equity | \$ 700 Equity |

Vehicle A is the vehicle with the highest equity; Vehicle A receives the \$1,500 exclusion.

| Vehicle A | Vehicle B | Vehicle C |
|------------------------------------|------------------------------------|------------------------------------|
| \$2,200 | \$600 | \$700 |
| <u>-1,500</u> | | |
| \$ 700 | | |
| Counted toward the asset limit. | Counted toward the asset limit. | Counted toward the asset limit. |

Total Vehicle Asset Value = \$2,000. Case is ineligible.

End of TANF and AFDC/U-Related Medicaid Vehicle Policy

LIST OF ASSETS

\$4,500 is counted as an asset. Equity value is not considered in this step.

When the client disagrees with the NADA retail value of the vehicle, he may obtain another estimate in writing at his own expense. If he provides the statement, it is averaged with the NADA value to arrive at the CMV.

NOTE: Any estimate the client provides must be furnished by a knowledgeable, disinterested source, such as, but not limited to, a domestic or foreign used car or truck dealer, or an automobile insurance company.

Older Vehicles: When the vehicle in question is too old to be listed in the NADA book, the Worker must use the value for the oldest listed vehicle of like make and model. If the client disagrees with this amount, he must be advised that he can obtain an estimate from another source. If there is a charge for the appraisal estimate, the client is responsible for the charge.

STEP 3: VALUE OF OTHER VEHICLES

If the benefit group or an individual whose assets are used to determine the benefit group's eligibility has any other vehicles not excluded in Steps 1 or 2 above, the equity of these vehicles is an asset.

EXAMPLE: John Smith owns a 1990 Toyota Celica with a CMV of \$8,350, and his equity is \$500. He also owns a 1988 Volkswagen with a CMV and equity value of \$2,700, which exceeds the asset limit. Based upon Mr. Smith's statement, neither vehicle can be excluded based on use. The \$4,500 CMV exclusion is applied to the Volkswagen instead of the Toyota because it benefits the client. Only the equity value of the 1990 Toyota counts toward the asset limit.

EXAMPLE: Mr. Smith has the same vehicles as above. However, he says he usually uses the Toyota Celica to drive to the doctor. If the Toyota is totally excluded, the equity value of the Volkswagen makes him ineligible. Thus, the value of the Volkswagen is totally excluded based on use, and the \$500 equity value of the Toyota, along with other countable assets, does not make him ineligible.

End of SSI-Related Medicaid, CDCS, PAC, ODWI, OMB, SLIMB
Vehicle Policy

D. WORKER'S NOTIFICATION PROCEDURES

The Worker must notify W&T within three days of the receipt of the DHS-1, of the month in which the sanction will begin. The DHS-1 to W&T must specify:

- Case name
- Case number
- Participant's name, if different from case name
- SSN
- Effective date of penalty
- Ending date of penalty
- Registration status

NOTE: It is possible that checks for two or three months could be received before the Fair Hearing decision is reached. In this case, when the agency is upheld, each month of repayment counts as one month of the sanction period.

- If the individual remains mandatory and complies prior to the expiration of the second or subsequent JOBS sanction, he is added to the benefit group the day after the 3- or 6-month sanction ends, if he is otherwise eligible. W&T must notify the Worker that the sanction is cured and the date that the individual is eligible.
- If the individual remains mandatory and complies after the expiration of the second or subsequent sanction period, he is added to the benefit group effective the date the sanction is cured, if he is otherwise eligible. W&T must notify the Worker that the sanction is cured and the date that the individual is eligible.

B. JOIN SANCTIONS

- If the individual's status changes to exempt during his first JOIN sanction and he is otherwise eligible, he is added to the TANF benefit group effective the date he becomes exempt. Adding him to the TANF benefit group is accomplished by changing his benefit code to a TANF code. In addition, his work status must reflect his exemption.
- If the individual's status changes to exempt during his second or subsequent sanction, the minimum sanction period must run its course. The M-219 system AFDC/U-Related Medicaid case must be closed and the C-219 system TANF case must be reopened with no overlapping Medicaid coverage. TANF eligibility is established as of the date the sanction ends, provided the benefit group is otherwise eligible. The work status of all benefit group members must be reevaluated when the TANF case is reopened, making certain that the work status of the individual who caused the previous sanction is changed to exempt.
- If the individual remains mandatory and complies prior to the expiration of the first JOIN sanction, he is added to the benefit group effective the day after the 3-month sanction period ends, if otherwise eligible. If he complies after the expiration of the 3-month sanction period, he is added effective the date the sanction is cured. W&T must notify the Worker that the sanction is cured and the date that the individual is eligible.

13.28 EFFECT OF JOBS OR JOIN PENALTY ON FOOD STAMP AND MEDICAID ELIGIBILITY

If the benefit group is certified for Food Stamps, and the TANF client whose JOBS participation is required, is sanctioned and removed from the TANF benefit group, a Food Stamp penalty may also be appropriate. See Sections 13.9 and 13.13.

A TANF recipient who is excluded from the payment because of refusing to cooperate with JOBS after enrollment, does not retain Medicaid eligibility as a TANF recipient or as an AFDC/U-Related Medicaid recipient. JOIN participants who are sanctioned for failure to cooperate retain Medicaid eligibility as TANF recipients. When the JOIN sanction is the second or a subsequent one and the entire case becomes ineligible, all individuals included at the time the sanction is applied remain eligible for Medicaid. Also, any additional individuals who would normally be included in the TANF case who move in with the benefit group, must be included in the Medicaid benefit group.

- If good cause is not established, the Worker must initiate the penalty by sending an ES-NL-C which informs the client that good cause was not established, and that he must cooperate within the advance notice period to avoid the penalty. If the client does not cooperate within the advance notice period, the Worker will notify the Legal Assistant that good cause was claimed, but not established, and the penalty for refusal to cooperate has been applied.

D. REDIRECTION OF CHILD SUPPORT PAYMENTS (AFDC)

All child support payments made on behalf of children who are recipients of AFDC must be redirected to CSED.

Exceptions are as follows:

- The case is exempt from referral to the Legal Assistant due to good cause or court-ordered public service, or when the deprivation factor is other absences.
- The specified relative refused to cooperate with child support activities after referral to CSED and good cause was established.
- If paternity has not been established and the alleged father voluntarily makes child support payments, such payments are not required to be redirected.

After receiving a referral, the Legal Assistant will arrange for support payments to be sent directly to CSED rather than the specified relative. If direct payments to CSED cannot be arranged, the client receiving the child support payments must forward the payment to CSED. Failure to do so will result in application of a penalty for failure to cooperate.

E. REDIRECTION OF SPOUSAL SUPPORT (AFDC)

Spousal support must be redirected when:

- The spousal support (alimony or separate maintenance) is court-ordered; and
- It is paid by the absent parent to the parent who is the caretaker relative.

All policies and procedures applicable to child support which must be redirected also apply to spousal support which must be redirected to CSED.

23.13 WEKR Transactions

A WEKR transaction is used to obtain Food Stamps for benefit groups under the following circumstances:

- Initial Issuance: Special procedures are required to issue the first month's coupon allotment to eligible benefit groups in the following situations:
 - When an individual or family, which is receiving another C-219 system benefit, applies and is found eligible for Food Stamps, effective the month of application. Because the case is already active in the data system, it is not possible to issue Food Stamps for the month of application from the C-219 system. Therefore, a WEKR transaction is used to issue the initial Food Stamp allotment.
 - When the time limit for acting on an application expires after the deadline date, but before the first of the next month, a WEKR transaction is used to issue the first month's Food Stamps.

- Restoration of Lost Benefits

A WEKR transaction is used to replace or supplement Food Stamps when a benefit group qualifies for restoration of lost benefits.

- Reissuance of Returned Benefits

A WEKR transaction is used to reissue Food Stamps issued from the C-219 system which are returned to the State Office and which must be remailed to the client. When the client's address has changed, the data system address change must be made prior to the WEKR transaction to insure that the FS are issued to the correct address.

- Disasters

In times of a disaster, affecting large numbers of individuals, State Office staff may approve use of a WEKR transaction to issue Food Stamps.