

MANUAL MATERIAL TRANSMITTED					
MANUAL: INCOME MAINTENANCE			CHANGE NUMBER: 48		
DELETE			INSERT OR CHANGE		
PAGES	CHAPTER	DATED	PAGES	CHAPTER	DATED
i - ii	15	11/95	i	15	11/95
1 - 20	15	8/95	ii	15	8/96
			B-1 - B-20	15	8/96
DATE: August, 1996			TO: All Income Maintenance Manual Holders		

Appendix B of Chapter 15 contains the policy and C-219 instructions for the 1996 School Clothing Allowance.

Instructions for cases in the RAPIDS data system will be released separately.

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

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APPENDIX B

1996 SCHOOL CLOTHING ALLOWANCE (SCA)

The amount of the 1996 SCA is \$100 per eligible school-age child and vouchers will be mailed on 8/16/96 for the regular payroll.

Vouchers will be sent in an amount equal to \$100 per school-age child to families eligible for an AFDC/U check in the month of August. Some applicants in the month of August will be eligible for SCA as a special need item and will receive up to \$100 per child depending on income.

The voucher system will allow clients the option to use the vouchers or return them to the Department for a replacement check in the same amount. Federal AFDC/U regulations require that this option be provided.

Clients with one eligible child will receive two (2) \$50 vouchers and those with more than one eligible child will receive one (1) \$100 voucher for each child.

NOTE: Foster parents will receive one check for all children in the foster home. A stuffer will accompany the check and will list the names of those children that are eligible for the allowance, e.g., if there are 3 eligible children, the check will be in the amount of \$300.

A letter from the Governor and detailed instructions for their use will be included with the vouchers.

Information and instructions regarding this project are outlined below:

I. Eligibility for SCA

To be eligible a child must meet the following criteria:

- Date of birth is 9/1/77 through 8/31/91. (Children over 18 who are students and can reasonably be expected to complete their schooling before their 19th birthday are included.)
- Be included in an AFDC/U assistance payment for August, 1996, in one of the following ways:
 1. On the regular August 1, 1996, payroll; OR
 2. As an approved case for the month of August, 1996 (on the August pick-up payroll); OR

and the individual voucher number assigned by the data system.

4. The voucher forms are three-part, self-carboned forms and will be mailed in 9" X 12" envelopes. Each envelope will contain all vouchers for a benefit group, the instruction sheet and a letter from the Governor. The mailing will take place on August 16, 1996.
5. A printout entitled "1996 SCA Payments" will be run and 2 copies sent to each district prior to the mailing. The printout will contain the following information:
 - a. Case number and case name
 - b. Grouped under each case name and number will be: the voucher number, child's initials, birthdate and amount of the voucher for each eligible child in that case
 - c. Total number of vouchers per case
 - d. Total value of the vouchers per case.

III. Applications

A. Applications Approved for an August Payment (Pick-Up Payroll)

If an application is approved for AFDC/U on a pickup payroll for August, the data system will automatically write an SCA voucher. The procedure will be as follows:

1. In order to qualify for the SCA, the approval date (Block 36) must be no later than August 31, 1996.
2. For cases receiving a pickup payroll check in August, SCA vouchers will be written each week in August and mailed to the client. Instructions will be mailed with the vouchers.
3. A printout of approved cases receiving the SCA will be mailed to the districts each week. This printout will contain the same information as the printout described in Part II.
4. If the transaction to approve the case is transmitted after the August data system deadline, the Worker will complete (a) an AP-3 transaction for an initial AFDC/U payment and (b) an ES-SCA-AP-3 for the SCA with the notation "School Clothing Allowance" submitted to the

3. There is no requirement that the approval be transmitted by a specific date for the family to receive the SCA. It is expected that the Worker will follow the customary practice of processing work as quickly as possible.
- C. Applicants Eligible for SCA Only - No Earned Income
There may be applicants who are ineligible for a regular AFDC/U payment due to excessive income, but whose income is not sufficient to meet the family's needs with the special clothing need added.

The special need cases found to be eligible will receive the SCA by voucher rather than check even though the amount will vary in each case.

The requirements and procedures for these cases are as follows:

1. The family must meet all of the specific eligibility requirements of the AFDC/U Program other than financial eligibility. Refer to the NOTE under item 5 in Part III, A.
2. Procedures for determining financial eligibility and amount of the SCA are:
 - a. Countable income will be determined in accordance with the instructions in Chapter 10 of the Income Maintenance Manual.
 - b. \$100 per eligible child will be added to the Chart in Chapter 10, 185% of Need amount for the appropriate benefit group size. If the gross income exceeds the 185% amount plus the special need, the family will be ineligible for the SCA.
 - c. If the gross income is less than the 185% amount plus the special need, the family may be eligible.
 - d. If the countable income is all unearned income, the Worker will then add \$100 per eligible child to the appropriate payment amount and subtract the countable income. The remainder will be the amount of SCA that the family will receive up to a maximum of \$100 per eligible child.

To prevent the writing of incorrect computer-generated approval letters, code 007 should be used on all NEWAP, REOPEN and APPRV transactions. The Worker will be responsible for client notification at application and

- 1/3 disregard if all other eligibility criteria for the deduction are met.
4. If the family has received assistance in any one of the four months prior to the month of August, it will be entitled to receive the \$30 plus 1/3 disregard of earned income without meeting the 100% of Need test described in item 1. The appropriate order of the disregards then becomes:
 - a. Standard Work Deduction
 - b. \$30 + 1/3 Disregard
 - c. Child Care Deduction.
 5. When all appropriate deductions and disregards have been made, the special needs amount (\$100 per school-age child) will be added to the payment amount and countable income deducted. The remainder will be the amount of SCA to be paid to the family.

EXAMPLE 2: A family of four has earned income of \$2,219. There are 3 eligible school-age children. They have never received AFDC/U before and are not now eligible for an ongoing AFDC/U payment as their total income exceeds 185% of Need. Financial eligibility for the SCA will be determined as follows:

Step 1:	\$2,212	185% of Need
	+ 300	Special Need (\$100 per eligible child)
	<u>\$2,512</u>	

Gross income of \$2,219 is less than 185% of Need plus special needs so the client is eligible for the Standard Work Expense Deduction. There is no day care expense.

Step 2:	\$2,219	Gross Income
	- 90	Work Expense Deduction
	<u>\$2,129</u>	

Step 3:	\$1,196	100% of Need
	+ 300	Special Need
	<u>\$1,496</u>	

The \$2,129 income is more than 100% of Need plus special needs. Therefore, the client is financially ineligible to receive the \$30 plus 1/3 disregard and ineligible for the SCA.

ineligible as the total income exceeds 185% of Need. There are four school-age children, but no child care costs. Eligibility for the SCA is determined as follows:

Step 1:	\$2,592	185% of Need
	+ 400	Special Need
	<u>\$2,922</u>	

The gross income of \$2,612 is less than 185% of Need plus special needs, so the client is eligible for the work expense deduction and the \$30 + 1/3 disregard.

Step 2:	\$2,612	Gross Income
	- 90	Work Expense Deduction
	<u>\$2,522</u>	
	- 860	\$30 + 1/3 Disregard
	<u>\$1,662</u>	Countable Income

Step 3:	\$ 360	Payment Level
	+ 400	Special Need
	<u>\$ 760</u>	

	\$ 760	Payment Level plus Special Need
	<u>\$1,662</u>	Countable Income

The family is ineligible for the SCA.

EXAMPLE 5: A family of 5 has earned income of \$850/month. There are 4 school-age children. An increase in income in February made them ineligible even with the \$30 disregard. The \$30 + 1/3 disregard expired in January. They are ineligible for AFDC due to excessive income.

Step 1:	\$2,592	185% of Need
	+ 400	SCA (4 children)
	<u>\$2,992</u>	

Income is less than the 185% of Need amount (with or without the special need), so the client receives the Standard Deduction for Work Expenses.

	\$ 850	Gross Income
	- 90	Standard Deduction
	<u>\$ 760</u>	

Step 2:	\$1,401	100% of Need
	+ 400	SCA
	<u>\$1,801</u>	

The 100% of Need test is passed, so the client receives the \$30 disregard.

special need. Manual letters must be completed for client notification. The letter must indicate that the client is eligible for SCA for 8/96 only.

Be sure to code all members of the benefit group as having a registration status of "S" and code Block 31 with "SCA Only".

- b. These cases will automatically be closed by the system at deadline in 8/96 to prevent the issuance of a medical card for 9/96. A printout will be sent to each district listing the cases automatically closed.
4. If the approval cannot be transmitted prior to the August deadline date, the following action must be taken to prevent issuance of an incorrect medical identification card.
 - a. A telephone call will be made to Supervisor of Check Control, Financial Services, requesting that the medical I.D. card be held. This call must be made the same day the approval is transmitted.
 - b. A follow-up ES-14 will be completed as follows and submitted to Finance.
 - (1) Section A - check item 4.
 - (2) Section C - check item 3 and write in the address of the district office.
 - c. When the card is received, complete a locally-typed card entering the correct period of eligibility and transferring all other information from the original card. Type a line below the last person listed on the card. The Supervisor is to check and initial the card before it is mailed or given to the client.
 5. If the closure cannot be transmitted prior to the deadline date in August for September, the Worker will request Finance to hold and cancel the September medical I.D. card via an ES-14. If the ES-14 will not be received in Finance by August 30th, telephone the Supervisor of Check Control (558-3292) and follow-up with an ES-14.
 6. The applicant must be notified via an ES-NL-A of (1) ineligibility for ongoing assistance, (2) eligibility

to take corrective action in relation to the SCA. This will be the case when, as a result of the error, the client received no AFDC/U check or received an AFDC/U check less than his entitlement and received no SCA or received a SCA less than his SCA entitlement.

EXAMPLE 6: A client reported the return of an 8-year-old eligible child to his home on July 10, but the Worker failed to add the child to the benefit group prior to the July deadline. In this case, the family would qualify for a corrective AFDC/U payment for July and August (unless they were already at the maximum) and for an additional \$100 SCA. Policy and procedures regarding correction of SCA amount in these situations are as follows:

1. C-219 system action as indicated to correct the case is to be taken.
 2. The corrective SCA is to be authorized via form ES-SCA-AP-3 and sent to the Office of Family Support as described in Part V of this memorandum.
 3. If a corrective AFDC/U payment is also being authorized, an AP-3 transaction is to be used.
 4. Since there is no time limit on retroactive payments, there will be no time limit on authorization of SCA's which are made in conjunction with retroactive payments, however, SCA authorizations after September 30, 1996 must be made by corrective payment via ES-AP-3 marked "SCA", as vouchers will not be written after that date.
- B. Corrective Action When Error is Due to Incorrect Birthdate/Relationship Code

If the client reports, or it is otherwise brought to the Worker's attention, that the client did not receive an SCA for which he was eligible or received less than he was entitled to and the Worker determines that the reason for this error was because of an incorrect birthdate and/or relationship code in the Case Information Block, the Worker will:

1. Take C-219 action to correct the birthdate and/or relationship code.
2. Complete form ES-SCA-AP-3 to obtain the SCA due the client. See Part V for instructions for completing this form.

2. Client Returns a Portion of the Vouchers

- a. The Worker will ask the client to return the number of vouchers to which he was not entitled.
- b. The Worker will issue a receipt (R-4) to the client and forward the vouchers to the Financial Clerk.
- c. The Financial Clerk will return the vouchers to Family Support and attach a completed form DF-68.

V. Instructions for Completing ES-SCA-AP-3 for SCA

NOTE: IN ORDER THAT ALL ELIGIBLE CLIENTS RECEIVE A COPY OF THE GOVERNOR'S LETTER AND INSTRUCTIONS, THERE MUST BE NO DATA SYSTEM ENTRIES TRANSMITTED BY THE DISTRICT OFFICE FOR ES-SCA-AP-3 TRANSACTIONS FOR THE SCHOOL CLOTHING ALLOWANCE AND THE PROCEDURES OUTLINED BELOW MUST BE FOLLOWED.

A. General Directions

All cases requiring ES-SCA-AP-3's will receive a voucher even if the amount is for less than \$100/child.

The amount of the SCA to be issued via the ES-SCA-AP-3 is to be entered in Number 5.

If the application is being approved for a one-time-only special SCA need, the amount will be computed according to instructions in Part III, C above. In all other cases, the amount will be \$100 multiplied by the number of children in the benefit group who qualify for the allowance.

All ES-SCA-AP-3's for the SCA must be sent to the Office of Family Support, ATTN: Policy Unit by September 30, 1996.

B. Summary of Conditions Requiring ES-SCA-AP-3's and Special Instructions

1. Application Approved for One-Time-Only Special Need Clothing Allowance
 - a. Include the names and birthdates of all SCA-eligible children on one ES-SCA-AP-3.
 - b. Send to Family Support, ATTN: Policy Unit.

the Office of Family Support. The check will be mailed to the client within 45 days of receipt of the request.

Any vouchers sent to the District Offices must be routed immediately to the Office of Family Support.

When handling vouchers in the District Offices, please remember that these are negotiable and should be handled in the same manner as cash.

Vouchers returned to the Office of Family Support unsigned or signed incorrectly will be returned to the client with a letter of explanation. The client may then correct the form and return it to the Office of Family Support.

VII. Cases With Less Than \$10 Payment Amounts

Federal regulations require that the AFDC/U amount for the month of August be paid, in addition to the SCA even if the ongoing AFDC/U amount is under \$10. This is true because the addition of the special need brings the amount due to over \$10. These payments will be handled manually at the State Office. The clients will receive SCA vouchers as all other active cases. In addition, checks will be manually written in each case for the amount of the AFDC/U payment.

An ES-NL-B will be sent with each check informing the client that this is a one-time-only payment in connection with the SCA. A copy of the ES-NL-B will be sent to the appropriate district office.

EXAMPLE: Case is currently eligible for a payment of \$3.00. Since this amount is less than \$10, the client does not receive a check. For the month of August only, the client will receive vouchers in the amount of \$100 for each child eligible for the SCA and he will receive an AFDC/U check in the amount of \$3.00.

VIII. Client Notification

Instructions to the client and the Governor's letter will be included with all SCA vouchers mailed from the State Office. A copy of the instruction sheet is attached. Those applicants who are ineligible for a regular AFDC/U payment, but are determined eligible for the SCA only will receive a copy of the attached notice but will not receive a copy of the Governor's letter.

WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES

1996 SCHOOL CLOTHING ALLOWANCE PAYMENT

INSTRUCTIONS

(Please read carefully before using vouchers.)

You should have in this envelope, vouchers totaling \$100 for each of your eligible school-age children.

- 1. If you have only one eligible school-age child, you should have received two (2) \$50 vouchers.**
- 2. If you have more than one eligible school-age child, you should have received one (1) \$100 voucher for each eligible child.**

We have distributed the vouchers in this way to allow you the flexibility of shopping in more than one store.

If you did not receive vouchers equal to \$100 for each of your eligible school-age children, please contact your local Worker as soon as possible.

If you receive a voucher for a child who is no longer in your home or who will not be attending school, you must return the voucher to your local Department of Health and Human Resources Office.

HOW VOUCHERS ARE USED

Vouchers can be used only for the purchase of your children's clothing and shoes. If you sew, you may purchase materials appropriate for making clothing.

By using a voucher you actually get more for your money, as you do not pay sales tax on these purchases. You actually receive 6% more than with the same amount of cash.

IT CAN PAY TO "SHOP AROUND"

Stores have been encouraged to offer discounts. Therefore, we advise you to shop around and learn which stores in your area offer the best prices.

All of your vouchers do not have to be used in the same store. For example, if you receive two \$50 vouchers, you can use one in each of two stores. You cannot, however, use part of a voucher one store and the rest in another store.

If you purchase less than the amount of a voucher, the remainder cannot be refunded to you. For example, if you have taken a \$100 voucher to the store, but only