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## **MEMORANDUM**

**To:** EES Chiefs, EES Staff Date: September 16, 2002

From: Sandra C. Hazlett RE: Implementation Instructions

KEESM Rev. 11 Effective

10/1/02

This memo provides implementation instructions and information for the following October 1, 2002 KEESM changes:

- Notifying substance abuse treatment centers of food stamp overpayments.
- FS Comparable treatment for TAF disqualifications cannot be applied to applicants.
- Food Stamp E & T transportation payments.
- FS persons sanctioned for a work program requirement (including) comparable requirements) are considered excluded instead of disqualified.
- Increase in the FS resource limit to \$3,000 for households with one or more disabled persons.
- Exemption of Ricky Ray Hemophilia Act payments.

Note the highlighted changes in KEESM 3421 of this memo. This clarification from the original instruction was transmitted to the field on 9/24/02.

The October 1, 2002 KEESM is now available online on the KEESM home page. Hard copy will be issued to staff in early October.

1. **KEESM 2541.4 - Treatment Center Responsibilities - (See Summary** of Changes item 16.) A new collateral notice has been developed to send to alcohol and drug abuse facilities who are determined to be

responsible for a food stamp overpayment to a resident. A food stamp claim is still established on KAECSES, however, a repayment plan code is not entered to prevent benefit reduction or collection through the Treasury Offset Program. The collateral notice, I010 - Repay Letter to Treatment Center, has been developed and must be sent to the facility requesting repayment of the overpayment. (Note: This notice will not be available until 10/1/02.)

2. KEESM 2550 - Comparable Treatment for Disqualifications - (See Summary of Changes, item 17.) As stated in the Summary of Changes, the food stamp change to the comparable treatment for TAF disqualifications policies is mandated by federal policy. Effective with this revision, a comparable penalty (work related and CSE) can ONLY be applied if the person is in recipient status for both the TAF and FS programs at the time the penalty is being applied (TAF and FS cases are open). Food stamp benefits can not therefore be denied to a person who fails to comply with a TAF work or CSE requirement while the person is in applicant status.

The following examples should help to illustrate this policy:

- Example 1 Susie Q applies for TAF and FS. She is assigned to job search for TAF, and does not comply. TAF is denied. No comparable penalty/denial of assistance can be applied since Susie was in applicant status. FS for all members is approved.
- Example 2 Susie Q applies for TAF and FS and is approved expedited FS. She is assigned to job search for TAF and does not comply. TAF is denied. FS has been approved and no comparable penalty is applied to the person who failed to comply since the person has to be in recipient status for both programs for a penalty to be applied.
- Example 3 Susie Q has an ongoing FS case and she is laid off from her job. She applies for TAF. She is assigned to job search for TAF and does not comply. TAF is denied. No comparable penalty is applied to the FS case.
- Example 4 Susie Q has an ongoing TAF case. Her TAF case is closed for failure to cooperate with CSE. She decides to just live on her child support and she applies for food stamps (add a program). No comparable penalty/denial of assistance is applied to the food stamp case for the CSE non cooperation.
- Example 5 Susie Q has an ongoing TAF and FS case. Her husband has returned to the home and he is being added to the TAF and FS cases. He is required to job search and fails to do so. The TAF case is closed. Since the person who failed to comply was in applicant status at the time of the failure (add a person), there is no comparable penalty applied to the FS case. The husband is added to the FS case.

• Example 6 - Susie has an ongoing TAF and FS case. She fails to cooperate with child support enforcement. The TAF case is closed, and a comparable penalty is applied to the FS case. Susie is changed from IN to DI (see item 5 of this memo) on the FS case.

**NOTE:** The Potential Employment provisions of 3540 are separate and stand alone from the comparable penalty provisions. Denial of assistance can still occur to a person applying for food stamps when the client, without good cause, refuses a job referral, refuses a job offer, terminates a job, was terminated from a job for rendering him/herself unacceptable, or voluntarily reduces hours of work from 30 or more per week to less than 30 per week and reduces monthly gross earnings. See KEESM 3540 for more details.

- 3. **KEESM 3100 Work Related Requirements -** (Summary of Changes, item 24.) To be consistent with the policies explained above, work-related requirements can no longer be applied to food stamp program applicants. Once the food stamp case is approved, an appropriate work component can be assigned to non exempt recipients. This change affects the counties in Kansas administering the Food Stamp Employment and Training Program. Again, since the Potential Employment Provisions of 3540 are stand alone requirements, they shall still be applied to FS applicants as appropriate.
- 4. KEESM 3421 Transportation (See Summary of Changes, item 28.) Because lack of transportation is a significant barrier to completing assigned activities or maintaining employment, FS E & T clients who are assigned to more than one component or who demonstrate significant need can receive transportation payments in excess of \$25 per month. Transportation for any activity shall be based on need. Documentation of the mode of transportation utilized and a backup transportation plan should be included in the case file to meet federal requirements. This change to allow FS E & T transportation authorizations over \$25 monthly is effective for transportation allowances being authorized beginning October, 2002. This change may be implemented as on-going cases are reviewed.

The transportation amount on TRPA defaults to \$25.00. The amount for any month may be changed by typing over the amount displayed.

The following examples demonstrate application of this policy change:

• Example 1 - A FS E &T client who is currently participating in GED and Job Search receives a \$25 transportation allowance. In October, the client indicates to the EES worker that he is having difficulty participating in both components due to transportation costs. It is determined that the cost for transportation to participate in these assignments is \$90 per month. Action: The worker should document the need and authorize \$90

per month for transportation costs.

- Example 2 A FS client works 25 hours a week. This person is mandatory since not employed full time and is assigned to 5 hours a week of additional activities. The agency previously approved a \$25 a month transportation allowance to assist with the additional activity. The client contacts and indicates having difficulty getting to and from work due to costs involved. Action: The worker could document the need and authorize additional funding for transportation for the additional activities. Transportation cannot be authorized for employment.
- Example 3 A FS only client is employed part time and is exempt from participation in work activities due to having a child under age 6. The client contacts the agency to request help with keeping the job and asks to volunteer for work program participation. Can we assist with a transportation allowance if the client agrees to job search to find additional work? Action: The worker could document the need and authorize a transportation allowance for the job search. Transporation cannot be authorized for employment.

A comparison chart to demonstrate the different FS E & T and TAF work program policies was previously developed at the request of Manhattan Area. That chart has been updated to reflect this transportation policy change and is attached to this memo.

5. KEESM 4212.2 - Excluded Household Members - (See Summary of Changes, item 31.) Effective October 1, 2002, food stamp persons determined ineligible due to the comparable provisions of 2550, and persons determined ineligible for noncompliance with food stamp work-related requirements, including potential employment, shall be treated as excluded household members (SEPA code DI) instead of disqualified (SEPA code DF). This change shall be applied to all food stamp penalties assessed on or after October 1.

In addition, all ongoing cases with an affected food stamp person currently coded DF must be converted for the benefit month of November 2002. To assist staff in making this conversion, a printout of all persons coded DF on an active food stamp case will be sent to the Chiefs electronically around September 23. This report will be issued based on the KAECSES extract. The report will be sorted by Area/Section/Caseload. A review of a preliminary report indicates that staff will have an average of 4 persons to review for potential change. After the date of this report, staff will need to keep a list of any persons penalized between the date of the report and September 30, 2002 as these persons will also need to be converted from DF to DI by November 1. As a reminder, effective with this change, the only reasons for an ineligible food stamp household member to be coded DF are for fraud, fleeing felon, probation/parole violator and drug related convictions.

The following is suggested wording for the food stamp change notice (F704) to explain the reason for the change in benefits:

"We are changing the amount of your food stamp benefits due to a change in federal rules. Instead of counting all the income for (enter name), we are now counting only a portion of the income. (enter name) was removed from your food stamp case for failure to comply with food stamp requirements. If (enter name) wishes to now comply with food stamp requirements, please contact me immediately at the number listed below".

6. KEESM 5120 - Maximum Allowable Resource Limit - (See Summary of Changes, item 34.) Effective for all applications processed for the benefit month of October, on or after October 1, 2002, the higher resource limit of \$3,000 will apply to all food stamp households containing at least one household member who is disabled (per the definition of disabled in item 78 of the Appendix).

To implement this change, the table that controls the food stamp resource limit has been modified to include persons identified as disabled as entitled to the higher resource limit of \$3,000. For the table to properly work, the system must be able to identify that the case is "special" (code of SPE on FSRD). A "special" household is one where at least one member of the household is elderly (60 or greater) or disabled. There are two ways in which this can occur as follows:

- Through income codes The following income codes will automatically identify a disabled person, categorize the case as "special" and allow the higher resource limit: RR DS (Railroad Retirement disability income), SS DS (Social Security disability income), SI (SSI income), and VA DS (Veteran's disability income). These codes will allow the higher limit when the person with the income is coded IN or SH only.
- Through coding on SSDO If a "Y" is entered in the DS/FS field on SSDO the system will automatically identify that the case is "special" and allow the higher limit. If staff can identify that a person is disabled (as defined for FS purposes) when entering information on the SSDO screen, a "Y" should be entered into the DS/FS field at that time. Then when the case passes thru FSRD, the system will know that a person is "special" and the higher resource limit will apply.

If staff do not put a "Y' in the DF/FS screen on SSDO, and the resources of the case are greater than \$2,000, but equal to or less than \$3,000, the system cannot identify that this is a "special" household and FSRD will process the case allowing the limit of only \$2,000 and the following warning message will appear on FSRD after pressing enter - "ENTER INCOME AND RETURN TO FSRD - HH MAY BE SPEC".

At this point staff must enter income and return to FSRD. If one of the

above income types is found and the resources are equal to or less than \$3,000, the case will pass the resource test. If the household member does not have income that will identify the household as "special", but does meet one of the other the food stamp disability criteria (receiving disability related retirement benefits, or getting disability related Medicaid under Title XIX of the Social Security Act) then a "Y" must be entered in the DS/FS field on SSDO for the higher resource limit to apply.

The bottom line with this change is that it is best to enter a "Y" in the DS/FS field on SSDO when it is known that a person in the household meets the food stamp disability criteria. This will allow the case the higher resource limit when the case first passes through FSRD and the warning message described above will not need to be displayed.

7. **KEESM 6410 - Exempt Ricky Ray Hemophilia Relief Fund Act payments -** (See Summary of Changes, item 36.) Payments from this program are exempt as income and as a resource for all programs. Any payments received shall be coded on KAECSES using the existing code of "XA" - exempt all programs.

SCH:PG:jmm

Attachment - Comparison of TAF and FS E&T Employment Services

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