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MEMORANDUM

TO:	EES Program Administrators All Asst. Regional Directors	DATE:	04-17-08
FROM:	Bobbi Mariani, Director Economic and Employment Support	RE:	Implementation Instructions - KEESM Revision 35 Effective May 1, 2008

This memo provides implementation instructions and information for the following May 1, 2008 policy changes in the Kansas Economic and Employment Support Manual (KEESM):

I. ALL PROGRAMS

- A. **Income Exempt as Income and as a Resource** – See [Summary of Changes](#) item I, A, 1 and section [6410\(59\)](#).

The following additional information is being provided regarding the tax rebates issued via the Economic Stimulus Act of 2008. These rebates are subject to the Federal Treasury Offset Program (TOP) for the Food Stamp Program. This means that rebates will be used to offset food stamp claims that have been referred to TOP. This will only occur on closed food stamp programs.

- B. **Application Date** – See [Summary of Changes](#) item I, B,1 and [1411.2](#).

A question arose regarding whether a signature is required on page one if the application is otherwise completed and signed on page ten of the [3100](#) or page twelve of the [3100.1](#) (Permission to Release Information section). The answer is no, as long as the applicant has signed the Permission to Release Information section. However, to establish the filing date without completing the application, the applicant must provide name, address and signature on page one.

II. FOOD ASSISTANCE

- A. **Electronic Disqualified Recipient System (eDRS)** - See [Summary of Changes](#), item III, A, 1. Information regarding these changes will be provided in a separate implementation memo.

- B. **Able-bodied Adults Without Dependents (ABAWD)** – See [Summary of Changes](#), item III, A, 3. These implementation instructions apply to all staff, not just those in the exempt ABAWD counties

1. **To reiterate, the following counties are directly affected this year:**

- a. **Currently Exempt Counties That Will Remain Exempt:** Anderson, Atchison, Brown, Chautauqua, Cherokee, Clay, Coffey, Crawford, Doniphan, Elk, Franklin, Geary, Greenwood, Jackson, Jefferson, Labette, Leavenworth, Linn, Montgomery, Osage, Shawnee, Wabaunsee, Woodson, Wyandotte, the City of Hutchinson.
- b. **Newly Exempt Counties:** Bourbon, Lyon and Miami.
- c. **Counties and City that are NO longer Exempt:** Douglas, Sumner and the City of Wichita.

2. **General Rules for the Exempt Counties/City:**

- a. **Exemption from ABAWD Status** - Exemption from the ABAWD provisions applies to the person's county or city of residence. Special provisions continue this year due to the exemptions for the city of Hutchinson as follows:
 - i. **Hutchinson** - Residents of the city of Hutchinson with street addresses using the following zip codes will be exempt from the ABAWD criteria: 67501 and 67502. Residents of South Hutchinson with a zip code of 67505 will NOT be exempt from the ABAWD criteria.
 - ii. **Post office boxes** in the above zip codes will not be acceptable proof of residence. The person must actually be living in the zip code to be considered exempt from the ABAWD provisions. Homeless persons living in the above listed zip codes will also be considered exempt from the ABAWD criteria.
- b. **Application and Review Processing in the Exempt Counties** - In the exempt areas, applications and reviews processed that contain persons who would otherwise be an ABAWD, can be certified for 12 months instead of the maximum of 6 for a case containing an ABAWD. These cases will now be required to complete an IR, so be sure an IR due date is set correctly by the system.
- c. **KAECSES Coding Issues in the Exempt Areas:**

JOPR: Persons who would otherwise be an ABAWD shall be coded as mandatory (MD) on JOPR. This will apply to new applications and reviews as they are processed. Existing cases shall be changed at the time of the next review.

PRAP: Persons in the exempt areas who would **otherwise be an ABAWD shall be coded on PRAP with the person alert of ?A.** This coding means the person resides in an area that is exempt from the ABAWD provisions (and would be an ABAWD otherwise.) Use of this coding is important for identifying persons that might be subject to the ABAWD provisions should they move to a county that is not exempt from the ABAWD provisions, **or if the area is later determined to be non-exempt, and ABAWDs must be identified on reports for necessary case actions.** The current PRAP code of AB means the person is an ABAWD in a non-exempt county. AB codes on persons in the newly exempted areas can be changed at the time of the next review or when a previously set 3 month alert is generated.

3. **Intercounty Transfers** - If a person who would otherwise be an ABAWD in an exempt area moves to an area that is NOT exempt from the ABAWD provisions, the provisions will apply in the receiving county effective with the month following the month the case is received if they have not already received their three ABAWD months in the current 36 month period. The three months of ABAWD eligibility will start the month following the month the case is received in the new county. The notice F845 - FS Important Information - ABAWD, must be sent to the customer to notify he/she of the three month eligibility time limit in the new area. This notice must meet adequate notice requirements. The month the case is received in the new area shall not be considered an ABAWD month. In addition, notice F849 FS Information -ABAWD/ICT is available to notify persons moving from a non exempt ABAWD county to one that is exempt.
4. **County Specific Information:**
 - a. **Current Exempt Areas of Anderson, Atchison, Brown, Chautauqua, Cherokee, Clay, Coffey, Crawford, Doniphan, Elk, Franklin, Geary, Greenwood, Jackson, Jefferson, Labette, Leavenworth, Linn, Montgomery, Osage, Shawnee, Wabaunsee, Woodson, Wyandotte, and the City of Hutchinson.** No special action is necessary in these counties.
 - b. **Newly Exempt Areas of Bourbon, Lyon and Miami:** In addition to the general rules noted above, persons currently considered an ABAWD in the newly exempt areas are **not to be**

closed or removed from an active FS case due to the three month time limit effective April 30, 2008 or after. If any cases have been copied forward to a future month and closed, they must be identified and the closure removed.

If the case accidentally closes, it shall be reinstated without requiring a new application and given a review period within the review period limitation of 12 months. The original review period of 6 months can be extended to 12, but be sure the system correctly sets an IR due date if more than 6 months will be left in the review period. Please note that extending the review period to 12 months only applies to cases that are closed in error. Other ongoing cases shall retain the original 6 month review period. A review period of 12 months (with IR due) can be set when the case comes due for review.

Example: Single person ABAWD case in a newly exempt area closes by mistake May 31. The consumer calls in June about no benefits and the case is reinstated. The original review period was April 1 - September 30. When the case is reinstated, the review period can be lengthened to March 31, 2009. Since there will be more than 6 months left in the review period, an IR due date will be set by the system for 9/08.

A case file search of recently closed ABAWD cases in the exempt areas is not required. **However, a case file search of ABAWDs coded DI on active food stamp cases in the newly exempt counties will be required.** Affected persons must be reviewed and if determined to be an eligible ABAWD, coded IN on the active food stamp case.

A printout of all persons coded DI in the exempt counties will be provided on or around April 18, 2008. The determinations of eligibility should be made within 60 days of May 1, with restored benefits as appropriate provided back to May 1, 2008.

The title of this report is “**Adults Age 18-49 Coded DI on Active Food Stamp Cases**”. To help staff further identify ABAWDs from ineligible non-citizens on the report coded DI, the citizenship code from ETRC is listed. The review due date is also listed to allow staff to prioritize cases that are due for review in months other than May or June 2008. The JOPR exemption code is also listed to help staff identify ABAWDS (JOPR code of AB).

- c. **No Longer Exempt Counties of Douglas and Sumner and the City of Wichita:** Persons currently considered an ABAWD

in these counties and one city must be identified and notified of their ABAWD status. Since both counties and the city of Wichita have been exempt since the start of the current 36 month ABAWD period of January 2006 –December 31, 2008, all newly non-exempt ABAWD's will receive their three months of ABAWD eligibility starting May 1, 2008 and ending July 31, 2008.

To help staff identify ABAWDs that need to be closed/reviewed due to the loss of the labor surplus exemption status, a report title "**ABAWDs age 18-49 Working < 20 Hours Per Week on Active FS Cases**" will be provided on or around April 18, 2008. Persons turning 50 prior to May 2008 will not be included, and expedited/initial benefits as of the time the report was run are flagged E or I (to help determine new cases just approved). Each case will need to be reviewed to determine if the person listed is an ABAWD and needs to be notified of ABAWD status and an alert set to close them by July 31, 2008 if they do not meet any of the other ABAWD exemption criteria of KEESM 2521. The PRAP code will also be listed (here's where you'll see the persons coded ?A) as well as any earned income listed on the case to help staff prioritize cases needing action. Notice F845, Important Information ABAWD, must also be sent notifying the household of the ABAWD provisions.

NOTE: This report should capture most persons that are ABAWDs, either single person ABAWD cases or ABAWDs that are members of an active food stamp household (with no persons under the age of 18). However, some persons identified on the report may not be ABAWDs, therefore the actual case status must be evaluated to determine if the person is an ABAWD that does not meet any exemption criteria. In addition, the report may fail to identify some ABAWDs. If this occurs, the person should be evaluated for case action at the time of the next IR, review or case change, whichever comes first.

C. **Potential Employment** – See [Summary of Changes](#), item III, B, 5 and [3540](#).

This policy clarifies that a potential employment penalty cannot be applied when a simplified reporting household quits a job without good cause that was not required to be reported due to the 130% reporting requirement, unless the quit took place in the month it was discovered/reported or the prior month. This includes job quits that are discovered/reported at the time of processing the IR or review.

For example, a household's IR is due May 5, 2008. On the IR the household reports quitting a job (that they were not required to report) in April 2008. If the quit was without good cause, a potential employment penalty can be applied.

In another example, a household's review is due June 30 and during the review interview reports having a job in December 2007-January 2008 (that was not required to be reported) and that they quit because they didn't like their boss. This quit would not qualify for a penalty because it did not occur in the month it was reported (June 2008) or the prior month.

III. MEDICAL

A. **Medical Application Processing** – See [Summary of Changes](#), item VI, A, 1.

KEESM [1414.2](#) has been revised to state that a medical application is valid for 45 days, regardless of the reason for denial. Other programs require a new application when an application is denied for reasons other than failure to provide information. Therefore when processing an application for multiple programs, these separate rules must be considered.

Example: An application is filed for the family medical and food stamps programs. On the 23rd day, the application is denied for excess income. Following the denial, the applicant receives a reduction of hours in employment. Verification is provided to the case worker on day 43 of the application period. The case worker will re-open the medical application and re-determine medical eligibility. The case worker will also require the customer file a new application for Food Stamps.

B. **Applications received on behalf of Minors** – See [Summary of Changes](#), item VI, A, 2.

Implementation instructions will be provided in a separate memo issued by KHPA.

C. **PRTF-CBA HCBS Waiver** – See the [KHPA Implementation Memo](#), dated March 31, 2008.

A new section, KEESM [8218](#), has been added to implement a new HCBS waiver program effective April 1, 2008. The Psychiatric Residential Treatment Facility – Community Based Alternative (PRTF-CBA) waiver will serve functionally eligible children and adolescents under the age of 22 who would otherwise require placement in a PRTF.

D. **Treatment of Trust Assets for the CSRA Assessment** – See the examples in the KEESM Revision 35 [Summary of Changes](#), Section VI, A, 8.

The treatment of trust assets for the Community Spouse Resource Allowance (CSRA) assessment have been changed with an addition of a NOTE in KEESM [8144.1\(2\)](#) and [8244.1\(2\)](#). The special treatment of resources

contained in an available trust does not apply to the resource assessment determination.

- E. **Income Allocation to a Minor Child** – See the examples in the KEESM Revision 35 [Summary of Changes](#), Section VI, B, 1.

KEESM [8143](#)(4) has been updated to clarify the process for determining the income allocation from an institutionalized individual to a minor child who is not living with a community spouse (or where a community spouse does not exist).

The allocation (if any) shall be based on independent living budgeting methodology and shall be calculated by using the Determination of Need (Medical Assistance) worksheet ([ES-3104.5](#)).

- F. **Resource Treatment of Annuities** – See the KHPA Policy Memo 2008-03-02, issued March 28, 2008.

Clarification is being added to KEESM [5633](#) concerning the resource treatment of certain types of annuities. An irrevocable, non-assignable annuity (other than a retirement annuity) is considered a countable resource.

IV. **SUCCESSFUL FAMILIES**

- A. **ORIENTATION, ASSESSMENT AND REFERRAL (OARS)** – See [Summary of Changes](#), item VII, A, 1 and section [3100.1](#).

The policy is being changed to reflect that customers who are eligible for OARS services but, choose to not participate in OARS should still be engaged to the best of their ability.

Example: Sally has applied for and been approved for TAF benefits for herself and one child. She is mandatory for work programs. During the application process it was discovered that she is involved in an abusive relationship and has recently moved to town in an attempt to flee from her abuser. The EES worker has discussed OARS with Sally and offered to refer her to an OARS advocate. Sally refuses the services saying that she doesn't think the program works and she just needs to get a job to support herself and her child. The EES worker then collaborates with Sally to find an activity that will help her find employment, keeping her safety in mind and setting up appropriate back up plans should problems arise.

- B. **Behavior Incentive Allowance** – See [Summary of Changes](#), item VII, A, 3.

KEESM [3411.2](#) (5) which gives EES staff the flexibility to encourage and pay customers for volunteer hours at work experience sites is being removed. Volunteer hours are defined as hours above and beyond the number of hours

allowed at a work experience site based on the Federal Standard Labor Act (FSLA) formula: Cash benefits + food stamp benefits divided by minimum wage divided by 4.3. KEESM [3310.4](#) (3) is also being revised to reflect this change in policy.

Example: Ima Winner receives TAF benefits for herself and two school age children. One of the children receives SSI. Ima is participating in a work experience program for 32 hours a week based on the FSLA formula. Her supervisor at the work site likes her and offers to let her work an additional 4 hours a week doing filing. The additional hours do not count towards Ima's work participation, and the work site supervisor should be advised that SRS is not liable for any work related injuries outside of the 32 hour per week limit. The EES worker will not pay Ima for the additional hours and will not encourage her to actively pursue additional volunteer hours.

C. **Work Employment Programs Payments** – See [Summary of Changes](#), item VII, A, 4 and section [6410\(65\)](#).

This policy is being revised to allow contracted providers and community partners to offer TAF customer incentives or payments for attending and/or completing their programs. These payments will no longer count as earned income for TAF cash, medical, food stamp or child care benefits. They will be considered exempt earned income.

Examples:

1. Miss Fortune has three children and is a mandatory TAF recipient who also receives medical (MACM), food stamps and childcare for her children to participate in work program activities. She and her EES caseworker collaborate and decide she will attend PYXIS. PYXIS offers Miss Fortune a \$10.00 a day incentive for attendance and meeting employment skill goals. The first week Miss Fortune attends everyday for five days. The second week she only attends three days due to illness. At the end of two weeks, she receives \$80.00 from PYXIS. The \$80.00 is exempt income and does not affect her cash, food stamps, MACM or child care benefits.
2. Ima Winner and her 3 year daughter old receive TAF benefits. Ima is mandatory for work programs. She and her daughter attend Head Start where Ima just completed her GED program. Head Start would like her to become a class room assistant in her daughter's class for 10 hours a week but she must first take a day-long seminar to become certified to do so. Head Start will give her a \$100.00 incentive payment to attend and complete this seminar. The \$100.00 is exempt income and does not affect her cash, food stamps, MACM or child care benefits.

