



STATE DEPARTMENT OF SOCIAL  
Letter -  
AND REHABILITATION SERVICES  
Integrated Services Delivery  
Docking State Office Building  
Room 681 - West  
Topeka, Kansas 66612

State Commissioner's

September , 2000

(Code 1)

TO: Area Directors  
Economic and Employment Support Chiefs  
Economic and Employment Support Staff  
Social Service Chiefs  
Other Staff

**Re: Kansas Economic and Employment Support Manual (KEESM) Revision No. 3**

**PURPOSE OF LETTER**

This letter transmits Revision No. 3 of the Kansas Economic and Employment Support Manual. This revision incorporates changes regarding individuals applying for prior medical assistance, good cause for failure to cooperate with CSE or work related requirements, time-limited assistance, family continuous eligibility period, removing/adding a child to a plan (HealthWave, Poverty Level Medicaid and MA CM), TAF participation requirements, updated component terminology, effective date of AJS and EAP assignments, and expanded eligibility for Welfare-to-Work. This revision also incorporates changes regarding the severing of parental rights, countable income from exempted trusts, self-employment changes, an increase in the Standard Telephone Allowance, responsibility for suspending NF payments, SED waiver changes, a change in the reporting requirements for non-monthly reporting households, and clarifications to claims and repayment processes. This revision also includes mandatory increases in the Food Stamp Program's maximum benefits, maximum excess shelter deduction, gross income limits and net income limits effective October 1, 2000. This revision incorporates numerous clarifications to policy and other technical corrections. Finally, several forms and items in the Appendix have been revised.

**BACKGROUND AND REASON FOR CHANGE**

The changes in the HealthWave and Medicaid Poverty Level programs were made at the recommendation of participants in the HealthWave Policy Summit. This group, consisting of field and central office staff from EES and HCP, convened in January 2000 to review a series of recommendations aimed at simplifying and streamlining current eligibility processes and procedures. The most substantive change is the implementation of the family continuous eligibility period. This will allow most family members to carry a consistent continuous eligibility period. This change also makes it possible to eliminate the review requirement when adding a child to a current plan and when determining ongoing eligibility at the end of a pregnant minor's postpartum period. The child's situation will be evaluated at the time of the request for coverage and, if eligible, will be added onto the plan for the remainder of the family's continuous eligibility period.

The changes in the HealthWave application form, although minor, were made at the recommendation of a federal review of the HealthWave program. In addition, an abbreviated, one page review form and review letter are also being included.

The 1999 Welfare-to-Work (WtW) Amendments allow for expanded eligibility for WtW services and expanded component assignments for WtW participants. These changes are incorporated in the manual section which describes the WtW component. This section is further expanded to include additional WtW coding, change coding instructions so that 30 hours of participation is considered for WtW participation, and clarification of WtW coding instructions. Additional clarification which was contained in the WtW Implementation Memo is also being incorporated into the manual at this time.

The development and issuance of the EES Contracted Employment Services Handbook has required that some work program components be redefined, added or deleted to promote consistency between the terminology in the Handbook and the KEESM.

The change to count months of TAF assistance received by the family toward the 60 months lifetime limit when the family group contains a disqualified adult is being made in response to recommendations from field staff.

The changes in the CSE good cause and work related requirement good cause sections are being made to promote consistency in wording for situations of noncompliance when the client is a victim of domestic violence. The wording that was adopted for the Domestic Violence pilot in Topeka has been incorporated into the KEESM.

The clarifications regarding treatment of children in the protected SSI class comes as a result of guidance from the Health Care Financing Administration (HCFA) in April 2000. Previous instructions have been released regarding the treatment of these children, but HCFA's recent guidance sets forth additional requirements, which have been strengthened and clarified in this revision.

The change in the earned income reporting requirements for non-monthly reporting households from \$80 to \$100 is being made to simplify the requirement for clients and staff. This change is possible due to an initiative by USDA to enhance program access for low-income working families.

The change to the Standard Telephone Allowance is a result of the annual review of telephone costs which have increased since the amount was last determined.

### **CHANGES AND REQUIRED ACTIONS**

1. **KEESM [1421](#) - Provisions Specific to Cash and Food Stamp Eligibility** - This section has been corrected by removing the word "cash" in the second line of the item. This was an oversight.
2. **KEESM [1432](#) - Adequate Notice Only** - A new item has been added to this section for clarification. This statement was only found in the overpayment section and was inadvertently not included in 1432 when the new manual was issued. Adequate notice only is required when a client fails to respond to a written repayment agreement within 10 days and benefit reduction is invoked.

3. **KEESM [1513.3](#) - Replacement of Lost or Stolen Benefits** - This item has been clarified to state that no provisions are available for replacement of lost or stolen food (purchased with food stamp benefits). Food destroyed in a household disaster can, however, be replaced. A cross reference to the EBT System Guide in the Appendix has been included to direct readers to this item for instructions.
4. **KEESM [2112](#) - Minors** - Item (1) of this section has been modified to allow individuals who meet the criteria to apply for prior medical assistance on behalf of a minor child to apply even if the individual did not meet the criteria in the prior period. This includes instances where the caretaker did not meet the definition of caretaker in the prior period, but currently does and situations where the child was not living with the current caretaker in the prior period. Eligibility is determined based on the child's circumstances during the month assistance is being determined for (e.g., consideration of the needs and income of LRP's, residency, living arrangement in the month). Further information is being provided in the Implementation Memo.
5. **KEESM [2141](#) - Legal Alien Status** - Item (5) of this section has been corrected to match the Alien Eligibility Chart (No. 1) in the Appendix. Item (5)(a) has been corrected to indicate that aliens meeting this criteria are only eligible for food stamp and medical benefits. Item (5)(b) has been corrected to indicate that aliens meeting this criteria are only eligible for food stamp benefits.
6. **KEESM [2160](#) - Cooperation With and Referral to Child Support Enforcement (Not Applicable to HealthWave or Food Stamps)** - This section has been clarified to indicate that cooperation is required for JO or Income Eligible child care programs. Income Eligible includes IE EM, IE ET, and IE TC subtypes.
7. **KEESM [2162](#) - Good Cause for Failure to Cooperate** - This section has been changed to state that an individual's statement and one piece of corroborating evidence will meet the burden of proof of a claim for good cause not to cooperate in establishing paternity and securing support payments. The definition of other corroborating evidence can include physical evidence of domestic violence or a statement from any other individual who has knowledge of the circumstances.
8. **KEESM [2183](#) - Drug-Related Convictions (Not Applicable to Medical or Child Care)** - This section has been modified to clarify that documentation to deny or terminate assistance is only needed if the report of a drug related conviction comes from a source outside of the household. If the household reports the conviction, action can be taken without documentation.
9. **KEESM [2210](#) - Child in Family** - This section has been changed to clarify that working toward attainment of a high school diploma or its equivalent includes students attending a home school that is registered with the Kansas State Department of Education.
10. **KEESM [2240](#) - Time-Limited Assistance** - This section has been expanded to indicate that the time on assistance for the family of an adult who is ineligible for benefits due to being an ineligible legal alien, illegal alien, fugitive felon, or in fraud

disqualification status will count as a month on assistance toward the family's 60 calendar month lifetime limit. This section has also been modified to remove the reference to months on assistance in similar programs in other states.

11. **KEESM [2510](#) - Categorically Eligible Households** - This section has been reorganized and slightly rewritten for purposes of clarification. No policy changes have been made to the content of this material.
12. **KEESM [2512](#) - Eligibility Factors and Verification Deemed for Food Stamp Eligibility Purposes** - A technical correction and a cross reference have been added to item (1)(a). Item (2)(c), Excess Gross Income, has been modified to state that a food stamp benefit computation form must be completed to determine if the household will be eligible for a benefit if a categorically eligible household's income exceeds the gross income limit.
13. **KEESM [2531](#) - Student Participation Criteria** - The note in item (2) has been modified to clarify that the student does not have to be approved for work study at the time of application and be approved for work study for the school term. If the student is not approved for work study at the time of application, but later is approved for work study, eligibility starts at the time the student is approved for work study. A new sentence has also been added to clarify that eligibility under this criteria continues during vacation and break periods as provided in 2532.
14. **KEESM [2552](#) - Treatment of Income and Resources and Special Procedures** - A new item (4), Re-establishing Eligibility, has been added to this section. This section establishes procedures for re-establishing FS eligibility for a person who has been penalized under the comparable provisions of 2550.

If the person reapplies for TAF and FS, they must cooperate as established for TAF purposes. If the person reapplies for FS only and lives in an FS E&T county and they are exempt from work-related requirements, he or she may re-establish eligibility by signing the Declaration of Cooperation and Self-Responsibility Plan (ES-4311). If the person is not exempt from work related requirements, he or she may sign the ES-4311 or by other means as established by the worker.

If the person reapplies for FS only in a non FS E&T county and is exempt from work related requirements, he or she may be re-added to the case without any additional requirements. Non-exempt individuals may re-establish eligibility by completing the ES-4311.

15. **KEESM [2639](#) - Special Provisions for Children Terminated from SSI Due to Changes in Disability Criteria** - This section has been clarified to state that children who fall into the HealthWave category must have a Medicaid determination completed under these provisions. Information on the KAECSES PRAP code has also been included.
16. **KEESM [2642](#) - Age/Pregnancy Determination** - This section has been clarified to reflect children are eligible under the Medicaid poverty level program through the month of their 19<sup>th</sup> birthday.

17. **KEESM [2644](#) - Continuous Eligibility for Pregnant Women** - This section has been reformatted to streamline manual material. This section was formerly 2644.1. It has been modified to reflect methodologies applied when an individual who is eligible under another medical program loses categorical eligibility under that program. It has also been modified to reflect a change in policy that removes the formal review requirement at the end of a postpartum period for an individual under the age of 19. Further information will be provided in the Implementation Memo.
18. **KEESM [2644.1](#) - Postpartum Period for Pregnant Women** - This section, formerly 2644.5, has been renumbered but has not been modified.
19. **KEESM [2645](#) - Continuous Eligibility for Children** - This section, formerly 2644.2, has been renumbered. It has also been modified and clarified to provide for the establishment of a family continuous eligibility period. Further information will be provided in the Implementation Memo.
20. **KEESM [2645.1](#) - Continuous Eligibility Period** - This section, formerly 2644.2 (1), has been renumbered. Further, items (1) through (10) replace former sections a. through j.. Statements in item (7) have been removed to support the new policy which no longer requires a review when adding a child to an assistance plan. Item (8) has been updated to include a reference to the SSI protected class.
21. **KEESM [2645.2](#) - New Continuous Eligibility Period** - This section, formerly 2644.2 (2), has been renumbered. Further, sections (1) and (2) replace former sections a. and b. Section c. has been removed and general information regarding optional MP reviews has been included. The policy has been clarified to allow a review to be completed when an application or review is received for another program if it is in the family's best interest to complete the review. Section d., which made a reference to a required review when adding a child to a current plan has also been removed. Further information on this change will be provided in the Implementation Memo.
22. **KEESM [2646](#) - Continuous Eligibility for Newborns** - This section, formerly 2644.3, has been renumbered. A reference to Policy Memo 00-04-02 has also been included.
23. **KEESM [2647](#) - Inpatient Care Period for Children** - This section, formerly 2644.4, has been renumbered. The content has not been modified.
24. **KEESM [2648](#) - Changes in the Family Unit** - This section is new and establishes rules for dealing with continuous eligibility periods when there are changes in household composition. Further information on this section and subsections will be provided in the Implementation Memo.
25. **KEESM [2648.1](#) - Removing a Child From an Existing Plan** - This new section establishes procedures for removing a child from an existing plan when he/she is no longer part of the household. The child shall remain on the case through the month following the month of report to ensure the family is given adequate time to notify the agency of the child's new address.

26. **KEESM [2648.2](#) - Adding a Child to a Plan** - This section and two subsections have been added to reflect requirements when adding a child to a plan. Item (1), Adding a Child to an Existing Plan, establishes rules when a child is being added to an active MP program. A formal review is no longer required and the child can be added based upon the request of the caretaker. If the child is a current recipient, the child will be eligible through the end of the family's continuous eligibility period. However, a determination of eligibility will be done to determine the type of coverage (HealthWave or Medicaid) the child will have. The income amounts budgeted on the program will be used for this determination, including determinations for months in which prior coverage is requested.  
  
Item (2), Adding a Child to a New Plan, establishes rules for adding a recipient child to a plan without an active MP program. A formal review application is required to be completed, but cooperation is not required. A determination shall be completed to determine the type of coverage the child will have (Medicaid or HealthWave) through the end of the child's original continuous eligibility period. If the family does cooperate with the review process, and the child remains eligible, continuous eligibility will be reset.
27. **KEESM [2671.3](#) - QMB Income and Resource Methodologies** - This section has been modified to reflect the exemption of the SSA COLA increase until the new poverty level standards become effective. Previous language limited the exemption to the first quarter of the year.
28. **KEESM [2673](#) - Partial LMB Program** - This section has been modified to allow for the establishment of prior medical assistance under the eligibility group as set forth in a previously released Implementation Memo.
29. **KEESM [2691](#) - Emergency Service Coverage for Aliens** - This section has been modified to state that a new MS-2156 is required to be submitted for each emergency situation, even if the emergencies occur in the same month. It also provides for upcoming changes in the Kansas Medical Services Manual regarding the locations where emergency services may be provided. Further information will be provided in the KMSM and an Implementation Memo.
30. **KEESM [2710](#) - HealthWave General Program Information** - This section has been clarified to reflect the correct poverty level percent for the establishment of a premium and replaces an old reference to the Adult and Medical Services Commission.
31. **KEESM [2730](#) - Age** - This section has been clarified to reflect children are eligible under the HealthWave program through the month of their 19<sup>th</sup> birthday.
32. **KEESM [2741](#) - Uninsured Status** - This section has been amended to reflect a change in policy which excludes health insurance that is not accessible to the child from being considered under this provision. This would involve situations where the only available providers in the plan are not accessible due to the distance the child must travel to be seen. Further instructions will be provided in the Implementation Memo.

33. **KEESM [2742](#) - Period of Ineligibility for Voluntarily Dropping Health Insurance Coverage** - This section has been clarified by correcting a typographical error and adding a reference to the changing policy of 2741.
34. **KEESM [2750](#) - State Employee Status** - This section has been clarified to state that children of employees of Unified School Districts participating in the state group health plan are NOT eligible for HealthWave benefits.
35. **KEESM [2770](#) - Premium Requirement** - This section has been amended to provide that coverage changes will no longer be made solely because all children in the household moved from a premium status to a Medicaid range. Although the premium will be removed when the poverty level percent falls below 151%, coverage will not change until the end of the continuous eligibility period. Also, premiums must be paid in full when a review is completed but optional reviews will not be completed if due and owing premiums exist on the case.
36. **KEESM [2780](#) - Continuous Eligibility Period** - This section has been modified and clarified to provide for the establishment of a family continuous eligibility period. Further information will be provided in the Implementation Memo.
37. **KEESM [2781](#) - Continuous Eligibility Period** - Items (7) and (8) have been modified to remove statements to support the new policy which no longer requires a review when adding a child to an assistance plan and to reflect an SSI recipient includes individuals eligible under the protected class.
38. **KEESM [2782](#) - New Continuous Eligibility Period** - This section has been clarified to allow a review to be completed when an application or review is received for another program if it is in the family's best interest to complete the review. Item (4) has been removed which made reference to a required review when adding a child to a current plan. It further states that coverage will not switch based on premium status changes of the entire household. Further information on this change will be provided in the Implementation Memo.
39. **KEESM [2783](#) - Changes in the Family Unit** - This new section has been added to establish rules for dealing with continuous eligibility periods when there are changes in household composition. Further information on this section will be provided in the Implementation Memo.
40. **KEESM [2783.1](#) - Removing a Child From an Existing Plan** - This new section has been added to establish procedures for removing a child from an existing plan when he/she is no longer part of the household. The child shall remain on the case through the month following the month of report to ensure the family is given adequate time to notify the agency of the child's new address.
41. **KEESM [2783.2](#) - Adding a Child to a Plan** - This section has been added to reflect requirements when adding a child to a plan. Item (1), Adding a Child to an Existing Plan, establishes rules when a child is being added to an active MP program. A formal review is no longer required and the child can be added based upon the request of the caretaker. If the child is a current recipient, the child will be eligible through the end of

the family's continuous eligibility period. However, a determination of eligibility will be done to determine the type of coverage (HealthWave or Medicaid) the child will have. The income amounts budgeted on the program will be used for this determination, including determinations for months in which prior coverage is requested.

Item (2), Adding a Child to a New Plan, establishes rules for adding a recipient child to a plan without an active MP program. A formal review application is required to be completed, but cooperation is not required. A determination shall be completed to determine the type of coverage the child will have (Medicaid or HealthWave) through the end of the child's original continuous eligibility period. If the family does cooperate with the review process, and the child remains eligible, continuous eligibility will be reset.

42. **KEESM 2793 - Newborn Coverage** - This section has been amended to remove the new application requirement when adding a newborn child that is not born to a Medicaid or HealthWave eligible mother.
43. **KEESM 2794 - Pregnant Women** - This section has been modified to reflect a change in policy that removes the review requirement at the end of a postpartum period for an individual under the age of 19. Further information will be provided in the Implementation Memo.
44. **KEESM 2831 - JO (TAF) Child Care** - Item (7) has been clarified to indicate that following TAF case closure, Welfare-to-Work participants who need child care may apply and have eligibility determined for Income Eligible child care, which may include IE EM, IE ET or IE TC subtypes.
45. **KEESM 2912 - Health Insurance Premium Payment System (HIPPS)** - This section has been clarified to indicate that HIPPS referrals are not necessary when the only eligible family member is eligible under the SOBRA provisions. It also now specifies that referrals should not be made when the employed individual is not authorized to work in the country.
46. **KEESM 3110 - TAF Participation Rate Requirements** - This section has been modified to update the wording from Two Adult to Two Parent. This section has also been expanded to indicate that up to 30% of the total TAF individuals counted in a month as meeting the work participation requirements may be participating in Vocational Education.
47. **KEESM 3111 - Special Rules for Households with Teen Parents** - The wording in this section has been modified to clarify what activities count toward Federal participation requirements for teens.
48. **KEESM 3112 - Definition and Special Rules for Two-Parent Families** - The wording has been clarified in this section to indicate that 35 hours of participation by one parent meets the Federal participation requirement in situations where SRS paid child care is not received. This section has also been modified to clarify that "disabled" in this section includes situations where the individual self-declares a disability or incapacity.



49. **KEESM [3113](#) - Component Assignment for Federal Work Participation Purposes (TAF)** - This section is being modified to update component terminology that is consistent with the EES Contracted Employment Services Handbook. These changes will also be reflected in Section 3310.
50. **KEESM [3151](#) - Employability Status** - This section is being deleted and reserved. Local areas have had the option of indicating the Employability Status on KsCares when the status is determined during the assessment. No area is currently utilizing that information. The Employability Status field will not be on SESP when the screen is redesigned in the fall of 2000.
51. **KEESM [3310.2](#) - Alcohol and Other Drug Assessment and Treatment (AODAT)** - This section has been modified to indicate that the RADAC will provide feedback to the EES staff on the clinical interpretations of the SASSI. This section has been further modified to remove the reference to the six-week limit on the component assignment and to indicate that the length of participation in the component is based on the treatment plan.
52. **KEESM [3310.3](#) - Applicant Job Search (AJS) TAF (and FS in Designated Counties)** - This section has been changed to indicate that the assignment of this activity begins with the date of the application for assistance. This change is consistent with the expectation on the application for assistance and will promote consistency in reporting TAF participation for partial months of assistance.
53. **KEESM [3310.5](#) - Community Service** - This component has been expanded to allow the forced community service requirement for individuals on parole or probation to count as work program participation.
54. **KEESM [3310.7](#) - Disability Employment Services** - This section has been modified to indicate that provisions related to assigning TAF or FS referrals to other Work Program components pending acceptance by RS should be worked out locally when RS is in Order of Selection status.
55. **KEESM [3310.9](#) - Employment Assessment Process** - This section has been changed to indicate that the assignment of this activity begins with the date of the application for assistance. This change is consistent with the expectation noted on the application for assistance and will promote consistency in reporting TAF participation for partial months of assistance.  
  
This section has also been modified to remove the requirement that the ES-4309 needs to be submitted weekly in order to count 30 hours of participation. The case record should document the participation.
56. **KEESM [3310.10](#) - Employment Counseling** - This section is being eliminated. The issuance of the EES Employment Contracted Services Handbook created another component which replaces this component. Job Readiness Case Management is the new component and the description of this component can be found in KEESM 3310.17. 3310.11 through 3310.17 have been renumbered accordingly.

57. **KEESM [3310.18](#) - Job Development and Placement** - This section is being re-named to Job Retention Case Management and redefined as one-on-one job retention services.
58. **KEESM [3310.23](#) - On-the Job Training** - This section has been modified to remove the reference to contracted providers establishing OJT's. Terminology has also been updated in this section to replace JTPA with the Workforce Investment Act(WIA).
59. **KEESM [3310.25](#) - Pilot Projects** - This section has been added to the manual to promote consistency with the EES Contracted Employment Services Handbook. This designation should be entered on KsCares when a client is participating in an approved Pilot Project. Current 3310.25 through 3310.31 have been renumbered accordingly.
60. **KEESM [3310.29](#) - Special Projects** - The definition of Special Project has been modified to be more consistent with the definition in the EES Contracted Employment Services Handbook.

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