

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

**Final December 1, 2003**

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

**Re: Summary of Changes for Kansas Economic and Employment Support Manual (KEESM)  
Revision No. 17 effective January 1, 2004.**

## **PURPOSE, BACKGROUND and REASON FOR CHANGE**

### **Food Assistance -**

Due to the State's overuse of the ABAWD 15% Balanced Budget Act exemption, the upper age limit for ABAWDs is returning to the federally mandated age of 49. Once a person turns 50, instead of 45, the ABAWD policies no longer will apply. Therefore, persons currently between the ages of 45 and 49 will lose eligibility for food stamps unless they meet one of the other criteria to be exempt from the ABAWD provisions. Affected consumers will receive their three months of assistance as an ABAWD January, February and March 2004. The first closures due to the policy change will, therefore, not occur until March 31, 2004. Specific procedures on the implementation of this change will be provided in the Implementation Memo.

This revision also implements a change in eligibility for the standard utility allowance (SUA). Effective with this revision, persons in private rental housing who are charged a flat rate for utilities, separate and apart from their rent, are entitled to claim the SUA. This does not apply to persons in public housing which have central utility meters and who are charged only for excess heating or cooling costs. This revision also contains several clarifications of policy, technical corrections and corrections to cross references.

**Medical Assistance -** The annual cost of living increase in the minimum and maximum resource allowance amounts is being transmitted with this revision. Based on federal law, the community spouse income and resource allowance standards under the spousal impoverishment provisions will be increased effective January 1, 2004. No increase in the HCBS income standard will be implemented.

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## **I. ALL PROGRAMS**

### **A. CHANGES -**

None

## B. CLARIFICATIONS

1. **Collateral Contacts** - Wording is being added to section [1321.1](#) (2) to clarify that when talking with collateral contacts, staff should only disclose information that is absolutely necessary to get the information being sought. Staff should avoid disclosing that the household has applied for benefits, nor should they disclose any information supplied by the household, especially information that is protected per [1223](#), or suggest that the household is suspected of wrongdoing. This applies to collateral contacts other than those where the agency needs to share full information, such as SSA.
2. **Prospective Budgeting** - A couple of cross references in section [7110](#) (3) are being corrected.
3. **Contract Labor** - Another example of contract labor, SRS relative child care providers, is being added to this section. Section [6320](#) is being modified as a result.
4. **Ineligibility for 10 Years (Cash and Food Stamps Only)** - Section [11221](#) (3) has been modified to clarify that Federal or State court convictions related to ineligibility for 10 years must be criminal convictions for the person to be disqualified for 10 years. Civil judgments are not criminal, thus they cannot be used to disqualify a person for 10 years.
5. **Processing Changes** -The comments following the Verification Requirements Chart in [9121.2](#) is being revised. This section has been causing confusion for staff and thus is being rewritten for clarity. In addition, a typographical error is being corrected in the Change Reporting Requirements Chart in [9121](#).
6. **Administrative Disqualification Hearing (ADH) Referrals** - This section is being corrected to reflect that the minimum amount of alleged fraud for an ADH referral is \$501 instead of \$101. This should have been changed in the October 2003 revision when the amount of alleged fraud overpayment needed to refer for fraud was increased to \$501. [11232](#) reflects this change.
7. **Time Period for Requesting A Hearing** - Section [1611](#) is being modified to state that the date of request for a fair hearing is the date the request is received by the agency. Formerly, this section allowed for a postmark as the date of request. That definition did not coincide with the KAR's however.

## II. ADULT PROTECTIVE SERVICES

### A. CHANGES

None

## B. CLARIFICATIONS

1. **HIPAA** - a clarification is being made in section [12122](#) regarding HIPAA requirements. [ES-1017](#) - APS Case Activity Log is being revised to include HIPAA instructions.
2. **Miscellaneous Changes** - Numerous minor clarifications consisting primarily of KSA or KAR cites are being made. Sections affected include: [12110](#); [12124](#); [12150](#); [12200](#); [12410](#); [12420](#) (2) and (4); [12430](#) (1) & (2); [12511](#); [12520](#); and [12521](#). In addition, [12420](#) (3) is being clarified that an ES-1008 is not sent to the alleged victim if the alleged perpetrator lives in the same place.

## III. CASH ASSISTANCE

### A. CHANGES

**Immediate Cash Issuance** - Section [1513.1](#) (3) is being added to provide instructions for cash benefits that may be added to the Vision card immediately, in the same manner as expedited Food Stamps. This is accomplished through the use of the Field Immediate Issuance (FIIS) screen in the KAECSES system.

### B. CLARIFICATIONS

1. **Time Limited Assistance - TAF** - The reference in [2240](#) to the Adding TANF Months From Other States form in the Appendix is being removed. Appendix Item 96 was previously removed from the KEESM in Revision No. 14, effective May 1, 2003. This form is no longer needed because a new screen (Monthly Counter Adjustment - MOCA) to modify the number of TANF and GA months of assistance has been added to KAECSES.
2. **Time Limited Assistance - GA** - Section [2317](#) is being modified to note that the start date for the 24-month time limit is January 1, 2002. In addition, clarification has been added in regards to what constitutes a month of assistance towards the time limit. Months in which the full grant was determined to be an overpayment and in which the consumer repays the full amount shall not be counted towards the 24 months. Also, months in which assistance was fully reimbursed through the IAR process shall also not count. In addition, a denial/closure reason code of "24" - GA 24 Month Time Limit has been added to KAECSES.

## IV. FOOD ASSISTANCE

### A. CHANGES

1. **Changes in the ABAWD Maximum Age Limit** - Effective January 1, 2004, the ABAWD upper age limit is increasing to the federally regulated age of 49. With this change, able-bodied adults without dependents age 18 to 49 will be subject to the ABAWD provisions of KEESM [2520](#). This change is being made because the State has overused its allowable 15% ABAWD exemption that was authorized by the Balanced Budget Act of 1997. Each year we have been allocated only so many

"exemptions." These were used to exempt all persons age 45 - 49 from the restrictive ABAWD provisions. Due to caseload growth in this population, we have exceeded the number of allowable exemptions, and must adopt the more stringent federal requirement for the state of the new calendar year. Section [2520](#) and subsections are being modified to incorporate this change as well as form [ES-4312](#), **ABAWD Eligibility Tracking Form**. Detailed information about the implementation of this change to ongoing cases will be provided in the Implementation Memo.

2. **Eligibility for the Standard Utility Allowance** - Effective with this revision, persons in private rental housing who are billed by their landlord on the basis of individual usage or who are charged a flat rate *separately* from their rent are eligible to claim the standard utility allowance. Households in public housing units which have central utility meters and which charge households only for excess heating or cooling costs are not, however, entitled to the SUA. This change has been reflected in [7226.3](#) (3). In addition to the above, two examples of how to correctly prorate the SUA are included in this section. This change has been reflected in [7226.3](#) (3) and [7227.1](#).

## B. CLARIFICATIONS

1. **Adequate Notice** - Section [1432](#), item 10 is being corrected to reflect that adequate notice only provided as a result of information provided on the interim report form only applies to the Food Stamp Program.
2. **Drug-Related Convictions and Fugitive Felons/Probation and Parole Violators** - A note is being added to the manual after section 2183 to clarify that for food stamps, the provisions of [2182](#) and [2183](#) take precedence over other statuses that would result in food stamp ineligibility. For example, a person is an ineligible student and has also been convicted of a drug related felony. The drug related felony provisions take precedence and the person would be coded DF and not OU as an ineligible student. In another example, a household member is an ABAWD not meeting the work requirement and a person convicted of a drug related felony. Again, the person would be coded DF and not DI.
3. **Resources** - A sentence in [5200](#) (3)(c) is being deleted since all vehicles are exempt for food stamp purposes.
4. **Child Support Deduction** - A clarification is being added to this section to state that mandatory interest payments as part of arrearage child support payments are allowed as a deduction for food stamp purposes. [7225](#) is being modified to reflect this clarification.
5. **Billed Medical Expenses** - References in [7227.5](#) (2) are being corrected.
6. **Mandatory Cable TV Fees** - A clarification is being added to the manual that states separate and identifiable mandatory cable TV fees are not an allowable shelter expense. However, if the mandatory cable TV fee is included in the basic rent, the entire rent amount is allowed. Section [7226.1](#) is being modified to

include this clarification.

7. **LIEAP and the SUA** - A sentence is being added to the manual to clarify that households whose heating or cooling costs are included in their normal rent who receive LIEAP are entitled to the SUA, even though they would not otherwise be entitled to the SUA. Basically, if the household receives LIEAP at their current residence, they are entitled to the SUA. Changes are being made to [7226.3](#) (3)(b) to clarify this.
8. **Certification Period** - Section [9372](#) is being rewritten to clarify that all households containing an ABAWD as defined in [2527](#) (1) shall be limited to a 6 month certification period.
9. **Situations Not Requiring Restoration of Lost Benefits** - References in [11112](#) (4) are being corrected.

## V. MEDICAL ASSISTANCE

### A. CHANGES

1. **COLA Mass Change** - Effective January 1, 2004, the minimum community spouse resource allowance will increase from \$18,132 to \$18,552 and the maximum resource allowance will increase from \$90,660 to \$92,760.

In addition, the maximum community spouse income allowance is increasing from \$2,267 to \$2,319. Neither the minimum income allowance or the dependent family member allowance are changing. However, because of a change in the food stamp standard utility allowance, the reduction for excess shelter will be \$193.00. KEESM Sections [8140](#) and [8240](#) and the [ES-3162 - Resource Assessment and Allowance Determination Form](#) and [ES-3163 - Income Allowance Determination Form](#) are being revised with this information.

### B. CLARIFICATIONS

1. **Exempt Burial Plans** - Information regarding assignment of existing life insurance policies for burial purposes previously released in Policy Memo 02-10-02 is being incorporated into the KEESM. Since the release of this policy memo, it has not been necessary to assign ownership rights to a funeral home when a life insurance policy is used to fund an otherwise exempt burial plan. It is necessary to irrevocably assign proceeds of the policy to the funeral home and there must be a provision which acknowledges that all excess funds will be paid to SRS Estate Recovery for Medicaid recipients and spouses. The [Irrevocable Assignment of Benefits of Life Insurance /Annuity Policy](#), originally released with the above-reference policy memo, has also been added to the Miscellaneous Forms section of the KEESM.

KEESM Section [5430](#) (8) is being clarified to state that exempt irrevocable plans from other states do not have to be accompanied by an itemized funeral plan from the funeral home if such a plan is not required in the state in which the agreement

was entered into.

2. **Medicare Buy-In** - A clarification is being added to explain the impact on buy-in for situations when regular Medicaid coverage terminates for an individual who continues to be ADAP eligible. If the individual is only eligible for ADAP, buy-in coverage will terminate the month regular medical terminates. This is true for both ADAP-D and ADAP-T plans.

A second clarification is added to better explain the matching criteria applied by CMS when the buy-in file is received. Although CMS does indeed match several data elements (name, Medicare Claim number, date of birth and sex code), the information used for the buy-in file is taken from the MEIN record. The client master file is not used for this information. It is not necessary to update client information specifically to match the buy-in file to that of the CMS file. However, it may be necessary to change this information, as well as the SSN, to generate a TPQY.

KEESM section [2911.4](#) and [2911.6](#) are being updated with these changes.

3. **SED Waiver** - The requirement that a youth reaching age 18 must have received certain community based services to retain waiver services has been removed. Although the requirement still exists, it is the responsibility of the CMHC case manager to determine if this requirement has been met. Case managers will notify eligibility staff if a youth must be removed from the waiver because the requirement has not been met. Section [8216](#) is being updated with this revision.
4. **Spousal Impoverishment** - A correction is being made in the 3rd paragraph of section [8144](#) redefining "planned brief stay" in regards to spousal impoverishment. This change in policy was implemented with KEESM Rev. #14 effective May 1, 2003 and this referenced was missed at that time.

## FORMS SECTION (Not previously discussed in this Summary)

### A. All Programs

Due to federal reporting requirements, SRS must collect better data regarding customers' language preferences, other media preferences and race/ethnicity information. An addendum for all paper applications was implemented on October 8, 2003. That form, [ES-3100.1](#), **Addendum to Application** is being included in this revision to the Forms section of the manual. This form is available in both English and [Spanish](#).

### B. Cash Assistance

[IS-3122](#) - **Disability Consultation/Representation Referral to Kansas Legal Services** is being revised to provide for alternate contact information for the consumer.

### C. Food Assistance

[ES-4312](#) (1-04) - **ABAWD Eligibility Tracking Form** is being revised to reflect the new

upper age limit of 50 when the ABAWD provisions no longer apply.

#### D. Medical Assistance

1. [ES-3104.5](#), **Determination of Need (Medical Assistance)** has been revised to reflect the current HCBS protected income limit of \$716.
2. [ES-3104.6](#), **Determination Worksheet for Pickle Eligibles and Other Protected Medical Groups** has been revised to reflect the current COLA ratio and SSI benefit levels.

#### MISCELLANEOUS FORMS (Not previously discussed in this Summary)

1. [HealthWave 21](#) - **Pregnancy Report Form (10/03)** is being added to the Miscellaneous Forms section. This form was issued by Health Care Policy - Medical Policy via HCP Policy Memo No. 2003-10-10a.

#### APPENDIX (Not previously discussed in this Summary)

1. [Item 31](#) - **Refugees & Migration Resettlement Affiliate Directory** - This directory has been updated with new contact information and now includes e-mail addresses.
2. [Item 79](#) - **EBT System Guide** - The addition of cash immediate issuance is addressed in section 2 of this guide. In addition, a correction to a form number is being made to section 24 of this guide.

#### EFFECTIVE DATE

All policies in this revision are effective January 1, 2004. All new applications and reviews processed on or after January 1, 2004 shall be completed using these revised policies. All open cases should be updated using the new policies when the case is being worked on to process other changes. The first closures of ABAWDs due to the new ABAWD procedures will be no earlier than March 31, 2004.

#### MATERIALS OBSOLETE BY THIS REVISION

Policy Memo 99-10-12, HealthWave Coverage Issues - has been replaced by two separate Policy Memos issued by Health Care Policy (HCP). These are HCP Policy Eligibility Policy Numbers 2003-10-03 and 2003-10-03b.

#### EFFECT ON LOCAL STAFF

The changes regarding the new spousal impoverishment standards will have a minor administrative effect on staff. Changes to the maximum spousal income allowance will, however, require that staff review a number of cases during the month of December and adjust current allowances as necessary.

The changes in this material regarding food stamp ABAWD eligibility will have a moderate impact on staff as the new policy is applied to applications and existing cases for the next few months. Other changes are administrative in nature, or clarifications of policy and should not have an impact on staff.

## COORDINATION EFFORTS

Within SRS, the material in this letter and manual revision have been coordinated with staff in the Economic and Employment Support Section, Health Care Policy - Medical Policy, the EES Chiefs, the Policy Development Team, the Implementation Planning Team, EES Program Training Unit, and other EES field staff. Information regarding the burial plan exemptions has been coordinated with the Kansas Insurance Commissioner's office and the Funeral Directors Association of Kansas.

Sincerely,

Bobbi Mariani, Director  
Economic and Employment Support

BM:MSW:jmm

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