

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

Final June 19, 2007

TO: Area Directors  
Economic and Employment Support Chiefs  
Economic and Employment Support Staff  
KHPA Staff, including the HealthWave Clearinghouse  
Social Service Chiefs  
Other Staff

Re: Summary of Changes for Kansas Economic and Employment Support Manual (KEESM)  
Revision No. 32 effective July 1, 2007.

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

The purpose of this document is to transmit Revision No. 32 of the Kansas Economic and Employment Support Manual effective July 1, 2007.

**All Programs** - Policy is being incorporated regarding initiation of the application process for inmates prior to their release from the 9 state correctional facilities.

**Child Care** - To simplify the approval process, regional child care provider enrollment staff will give final approval authorizing special purpose care. Effective July 1, 07, Central office approval is no longer required. Information related to the July 1 reorganization of the KACCRRRA agencies has been incorporated.

**Funeral Assistance** - The funeral assistance benefit is increasing from \$550 to \$680 effective July 1, 2007.

**Medical Assistance** - This revision implements an increase in the monthly protected income level for institutionalized individuals from \$50 to \$60. This change was approved by the 2006 Kansas Legislature. It also implements WORK, a program for employed persons with disabilities to receive personal care services and makes changes in the eligibility criteria for Working Healthy. Specifically, individuals must have countable earnings in excess of \$65.00/month in order to qualify and must have earnings at a level consistent with the federal minimum wage or higher. A new facility classification is also being added. Psychiatric Residential Treatment Facilities (PRTF), are a treatment option for youth and are similar to Level VI facilities. An exception to the CARE assessment and level of care determination for persons with terminal illness who qualify for hospice who enter a nursing facility is implemented to support a change in KDOA policy.

**Successful Families** - This revision implements a change in the TAF Work Program exemption for caring for a child under one. Effective July 1, 2007, the exemption has been shortened from one year to six months. In developing this policy several factors were considered, including earlier engagement with Work Programs, encouraging the well-being of the family, the fiscal impact to the state due to increased child care and work program costs, and case manager workload. This

prevention strategy is designed to develop customer-centered involvement and planning earlier in the customers' interaction with our agency. The recommendation was reviewed by and met the approval of the EES Program Administrators and the Implementation Planning Team.

## I. ALL PROGRAMS

### A. CHANGES

1. **Re-entry from State Correctional Facilities** - KEESM [1411.3\(5\)](#) is being added to allow for applications to be filed up to 30 days prior to release for inmates of the 9 state correctional facilities. Designated SRS staff are to be provided in each Region to help coordinate the submission and processing of these applications with the facility discharge staff. Further instructions regarding this process will be provided in a separate implementation memo.

## II. CHILD CARE PROVIDER ISSUES

### A. CHANGES

1. Types of Providers - Effective July 1, 2007, regions will no longer need to obtain Central Office approval to authorize a plan for special purpose child care. Regional child care provider enrollment staff will approve such plans. KEESM [10021.1](#) has been modified to reflect this change.
2. Special Types of Payments - KEESM [10260](#) is also being revised to reflect the change eliminating the need for Central Office approval of special needs child care.
3. Resource and Referral Agencies - SRS contracts with the Kansas Association of Child Care Resource and Referral Agencies (KACCRRRA) to perform services such as parent referrals for child care, parent education on quality child care settings, and child care provider education and training. The KACCRRRA Executive Board has decided that it will reorganize the KACCRRRA agencies and their functions effective July 1, 2007. KEESM [10011](#) and Appendix item [C-4](#) have been updated to reflect this reorganization. Information on the new organizational structure of KACCRRRA can be found at [www.kaccrra.org](http://www.kaccrra.org)

### B. CLARIFICATIONS

None

## III. FUNERAL ASSISTANCE

### A. CHANGES

1. **Funeral Assistance Benefit** - KEESM [2323](#) is being changed to reflect the Funeral Assistance benefit increase to \$680.

2. **Funeral Expense Limit -November 5, 2007 2:01 PMg changed to reflect an Increase in the expense limit for Funeral Assistance to \$2500 .**

#### **A. CLARIFICATIONS**

**None**

#### **I. General Assistance Reintegration**

##### **A. Changes**

1. **General Assistance Reintegration (GA RN) - KEESM [2314](#) is being changed to clarify the intent of what population in the Larned Correctional Mental Health Facility are eligible to participate in the GA RN program.**
2. **Application for Social Security Benefits - KEESM [2315](#) is being changed to provide clarification of what the consumer must do to be considered cooperating with regard to pursuing their Social Security Disability application.**

##### **B. Clarifications**

1. **None**

#### **II. MEDICAL ASSISTANCE**

##### **A. CHANGES**

1. **Work Opportunities Reward Kansans (WORK) - This revision implements the WORK program. WORK is a program for employed persons with disabilities enrolled in Working Healthy to receive personal services. WORK participants will receive personal care, assistive services and Independent Living Counseling. Although these are similar to services received by participants in Home and Community Based Services (HCBS), it is important to point out that WORK is not a waiver program. WORK provides speciality services to a targeted group of beneficiaries under the state plan. This means that participation in WORK cannot be limited by size or funding (eg 'slots'). However, participants must meet specific eligibility criteria.**

**Persons with physical disabilities, developmental disabilities or traumatic brain injury can participate in WORK, but the individual must meet the necessary level of care as determined by an independent assessment. The WORK program manager in KHPA must approve all entrants into the WORK program. A Plan for Independence outlining the service needs of each WORK participant will be developed.**

**WORK services are paid under a ‘cash and counseling’ model. This means that instead of relying on the Medicaid fiscal agent to pay fee-for-service claims to providers, some of the services will be ‘cashed out’. By cashing out the services, the Medicaid beneficiary is provided a monthly allocation payment, based on the needs outlined in the Plan for Independence, and assumes responsibility for using the allocation payment to purchase services. The beneficiary is also given some flexibility in spending the allocation. For example, the WORK participant may choose to hire an attendant to do his laundry, have a service do his laundry or even save for a front-loading washing machine to do his own laundry in the future. An individual budget will be developed for each WORK participant outlining these types of choices.**

**WORK participants have two options for receiving the allocation payment:**

- **Recipient Managed accounts where the beneficiary receives the allocation payment directly and is responsible for hands-on distribution of the funds.**
- **Fiscal Agent Managed accounts where the beneficiary utilizes a program-provided fiscal service to assist them with management of their funds.**

**Regardless of which payment method is elected, all allocation payments must be deposited into a designated account, called the WORK account. The WORK account is only used for WORK program purposes and is not commingled with other funds. The recipient may be allowed to move funds from the WORK account into a designated savings account as determined by the individual budget.**

**WORK payments are exempt as income in the month received for all programs and as a resource in the subsequent months if funds are maintained appropriately as determined by the WORK program manager. WORK funds which are withdrawn from the WORK account are countable.**

**To be eligible for WORK, the individual must be eligible for and receiving Medicaid through Working Healthy. Persons enrolled in other Medicaid coverage groups cannot receive WORK services and some individuals who are currently receiving Medicaid under other coverage groups may wish to move to Working Healthy in order to receive WORK. Clarification is being added regarding the hierarchy of eligibility for an individual who is potentially eligible for multiple Medicaid programs. Specifically, persons who are eligible under a mandatory categorically needy group (see changes in 2611 outlined below) are not allowed to enroll in Working Healthy and must stay in the mandatory coverage category. Persons who are not eligible for WORK because of program status, but report a need for personal care services, are referred to the Benefits Specialist to discuss other options for obtaining these services.**

**In addition to being Working Healthy eligible, the WORK participant must be engaged in competitive, integrated employment. The Benefits Specialist will assist the eligibility worker in making a determination regarding appropriate employment status.**

**Persons enrolled in WORK will continue to pay the necessary Working Healthy premium, but the client obligation is not applicable.**

**Enrollment into WORK will be prospective and will always begin on the first day of a month. The [ES-3160](#) will be sent from the WORK Program Manager advising of a start day for WORK services. For enrollment of a current Medicaid recipient, the [ES-3160](#) is to be sent no later than the 18th of the month for enrollment to begin the first of the following month. This general rule shall be used for new applicants as well, but enrollment may not be possible until the second month following receipt of the [ES-3160](#).**

**WORK eligibility is communicated to the MMIS through a Living Arrangement/Level of Care code combination on the KAECSES LOTC screen. A Living Arrangement of WK and a Level of Care of NO is used. The patient liability amount is always \$000**

**Additional implementation instructions will be issued under separate cover. However, because WORK assessments will not begin until July 1, 2007 initial enrollments will be no earlier than August 1, 2007.**

**A new section [8400](#) is being added to set forth guidelines for WORK.**

**Item (65) of [6410](#) is added to address treatment of the allocation payment and the WORK account.**

**Clarification of the WORK payment with respect to Income Related Work Expenses and Blind Work Expenses is included in [8151\(1\)](#) and [7240\(1\)](#).**

**The [ES-3160](#) and [ES-3161](#) are being revised to include WORK information.**

- 2. Working Healthy - The following changes in the eligibility criteria for Working Healthy are being implemented.**
  - a. Countable earned income in excess of \$65.00/month - Countable earned income or earned self-employment income must exceed the standard earned income disregard in order to be eligible for Working Healthy. Countable income is determined after considering all income-producing costs, IRWE and BWE allowances. It is also considered using the appropriate budgeting methods (e.g., actual income for prior medical; average income for self-employment, etc). If there is no remaining income after application of these considerations, there is no eligibility for Working Healthy.**

**For self-employment, all applicable expenses including the 25% deduction are considered prior to making the determination.**

**For example, applicant for Working Healthy receives \$50.00 in wages for baby-sitting. No income producing costs are reported and countable income is determined to be \$50.00. As this is less than the earned income disregard for Working Healthy, there is no eligibility for this client.**

- b. Minimum Wage Requirement - The Working Healthy recipient must be earning at least the federally established minimum wage. Persons earning below this level are not considered fully employed. Note there is no minimum work hours requirement, only a minimum wage requirement. This provision is not applicable to the self-employed.**

**These changes are applicable to all Working Healthy determinations made for the month of July, 2007 and later months. Current Working Healthy cases shall be evaluated under the new requirements at the next review.**

- c. Temporary Unemployment Period - Persons who fail to meet the earned income requirements above, or the FICA/SECA requirement, but are still employed, may qualify for extended coverage under a temporary unemployment period.**

**Section [2664](#) is being modified to support this change. New items (1) - (3) are being added. Section [2664.7](#) is being reformatted and items (2) and (3) have been added.**

- 3. Estate Recovery - As mandated by the 2006 Kansas Legislature, KHPA has entered into a contract with Health Management Systems, Inc. to provide support to the Estate Recovery Unit. The contractor will operate under the oversight of the Estate Recovery Unit and will become responsible for some legal and administrative responsibilities. Additional information regarding the contract will be sent separately.**

**Section [1725](#) will be updated.**

- 4. Transfer of Property - As the average nursing facility private pay rate in the state has increased, the transfer of property daily penalty divisor is also changing. The amount is moving from \$131.80 to \$136.60. The new rate is applicable to all penalties established on or after July 1, 2007.**

**Section [5724.4](#) (2) and the Transfer of Property worksheet are updated with this revision.**

5. **Institutional Protected Income Level - The institutional protected income level increases from \$50.00 to \$60.00 for a single individual beginning July 1, 2007. For a couple the limit increases from \$100 to \$120. Implementation instructions were previously sent on May 18, 2007.**

KEESM section [8160](#) (2) and Appendix item [F8](#) will be updated with this revision.

6. **Psychiatric Residential Treatment Facilities (PRTF) - A new facility type is being implemented with this revision. A PRTF is a facility designed to provide treatment for children and young adults with functional impairments resulting from an identified mental health or related diagnosis. SRS-Mental Health is responsible for oversight of the PRTF facilities.**

A PRTF is similar to a Level VI facility. The Level VI facility classification is being eliminated with this revision. Eligibility for youth entering a PRTF is determined using the existing rules for children entering an institutional arrangement.

Additional implementation information will be sent under separate cover.

Sections [8112.4](#)(c) and [8184.1](#) are being updated with this revision. In addition, the [MS-2126](#) is being modified.

7. **CARE Exceptions - The Kansas Department on Aging has added an additional exception to the CARE requirements related to entry into an NF. Persons diagnosed with a terminal illness who qualify for hospice care and individuals in a coma or persistent vegetative state are exempt from CARE. Because of the CARE exception, these individuals are also exempt from the Level of Care requirements.**

The eligibility worker must continue to request CARE information from KDOA even when an applicable diagnosis is reported. KDOA is responsible for making the determination and will provide information regarding any exception granted.

A new item (4) is added to [8114.2](#) to support this change.

## B. CLARIFICATIONS

1. **Medical Groups - Clarification regarding mandatory and optional categorically needy Medicaid eligibility groups is included with this revision. Two new subsections, (a) and (b) have been added to [2611](#)(1)**

## III. SUCESSFUL FAMILIES

### A. CHANGES

1. **TAF Only Work Related Exemption** - This change modifies the work exemption of caring for a young child from one year to six months of age. Research indicates that participants have most success when they are engaged early and frequently in the process. Much attention and deliberation were given to the customers' needs and the constraints of the agency when developing this policy. Section [3200](#) is being modified to reflect this change. An implementation memo regarding the impact of this change on current cases will be issued separately.

#### **B. CLARIFICATIONS**

None

### **IV. WORK PROGRAMS**

#### **A. CHANGES**

1. **Food Stamp Employment and Training (FS E & T)** - USDA has approved the expansion of the FS E & T services into Shawnee county effective May 2007. In addition, Kansas has reviewed the reporting of FS E & T components. Section [3100 \(3\)](#) is being modified to include Shawnee county. Sections [3310.2](#), [3310.3](#), [3330.3](#), [3330.6](#), [3330.9](#), and [3330.10](#) are being modified to clarify which work components are appropriate for FS E & T customers. The Comparison of TAF and FS E & T Employment Services, Appendix [E-10](#), is also being modified to add Shawnee county and update the appropriate component chart.

#### **B. CLARIFICATIONS**

None

#### **FORMS (Not previously discussed in this summary)**

None

#### **APPENDIX (Not previously discussed in this summary)**

None

#### **EFFECTIVE DATE**

All policies in this revision are effective July 1, 2007. Additional information will be in the Implementation Memo.

#### **MATERIALS OBSOLETE BY THIS REVISION**

None

#### **EFFECT ON LOCAL STAFF**

**The changes in this revision will require effort by field staff to implement.**

**COORDINATION EFFORTS**

**Within EES, the material in this letter and manual revision has been coordinated with staff in the Economic and Employment Support, the EES Program Administrators, the Implementation Planning Team, Health Care Policy, Department of Corrections, Kansas Health Policy Authority, Kansas Department on Aging, and the Child Care Provider Work Group.**

**Sincerely,**

**Bobbi Mariani, Director  
Economic and Employment Support**

**BM:AM:lf**

Page Last Updated: 11/5/07 2:01 PM