

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

**March 27, 2009**

**REVISED June 17, 2009**

TO: Regional Directors  
Economic and Employment Support Program Administrators  
Economic and Employment Support Staff  
KHPA Staff, including the HealthWave Clearinghouse  
Social Service Administrators  
Other Staff

Re: Summary of Changes for Kansas Economic and Employment Support Manual (KEESM)  
Revision No. 39 effective May 1, 2009.

## OVERVIEW OF CHANGES

A brief overview of the major changes is described below. Other clarifications and technical corrections are also included and described in the next section.

**All Programs** – This revision includes changes necessitated by the revised online application with electronic signatures, and a new requirement for the timely registering of applications. With this revision, applicants can no longer use the online application to apply for GA or Medicaid. A paper application must be completed.

In addition, this revision incorporates automatic enrollment into the Lifeline Program with local telephone companies explained in the Auto-enrollment Lifeline Program Information and Instructions Memo, issued 03/02/2009.

The American Recovery and Reinvestment Act (ARRA) of 2009, also known as the stimulus bill, provides a one-time lump sum payment of \$250 for recipients of Social Security, SSI, Railroad Retirement, and Veterans benefits. This payment may be received in June 2009 and is exempt as per KEESM [6410](#) (38).

**Adult Protective Services** – This revision includes changes to mailing procedures to alleged perpetrators for interviews, and for notification on confirmed findings.

**Cash and Food Assistance** – This revision includes several clarifications regarding the scheduling of interviews, either face-to-face or telephone. First, an interview must be scheduled, even when information on the application indicates the household would be ineligible. Second, when scheduling a telephone interview, a specific date and time must be provided to the household.

**Food Assistance** – Changes are being included in this revision that were mandated by the American Recovery and Reinvestment Act of 2009 and previously implemented April 1, 2009. These changes include the removal of the able-bodied adults without dependents (ABAWD) policies of [2520](#). These policies have been removed through September 30, 2010. In addition, this revision incorporates the 13.6% increase in the maximum allotments which was implemented April 1, 2009. Other clarifications are also being included.

**Food Assistance, TAF, and Grandparents as Caregivers** – This revision includes policies providing less restrictive treatment of annuities for TAF, food assistance, and Grandparents as Caregivers only.

**TAF, General Assistance, Child Care, GPCG and Medical Assistance** – TAF, General Assistance, Child Care, GPCP and Medical Assistance - The American Recovery and Reinvestment Act (ARRA) of 2009 (also known as the stimulus bill) provides for unemployment compensation (UC) recipients to receive an additional payment of \$25 each week. The ARRA does not allow states to exempt the extra \$25 UC payments for the Food Assistance Program. The \$25 UC Stimulus payments are exempt for all other programs, including TAF, Grandparents as Caregivers, General Assistance, Child Care, and Medical Assistance.

**Medical Assistance** – The new federal poverty levels, including an increase in the minimum community spouse income allowance and the dependent family member allowance are being adopted. The new resource standards for the Medicare Part D Subsidy program are also included. An update is being included for the Breast and Cervical Cancer program.

## DESCRIPTION, PURPOSE, AND DETAILS OF POLICY CHANGE

### I. ALL PROGRAMS

#### A. CHANGES

1. **Application Process** – Changes are being made to the KEESM to incorporate new procedures for the online application, specifically the provisions for an online electronic signature. Effective with the implementation of the revised online application, the date the application is submitted online is considered the application date if submitted on a business day. If submitted on a weekend or holiday, the date of application is the next business day. Applicant households will electronically sign the application prior to submitting it, thus procedures regarding the mailing of a hard copy of the signature page have been removed. Also, procedures allowing for completion of an online application over the phone have been removed due to the electronic signature.

An additional clarification is also being included in this section regarding paper applications that are received unsigned. In these situations, the entire application is to be returned to the applicant household for signature. It is important to return the entire application so the applicant can review the answers prior to certifying under penalty of perjury that all answers are correct and complete to the best of his/her knowledge. A final change states that all **signed** applications shall be date-stamped the date of receipt in the SRS office.

KEESM [1411.1](#) and [1411.2](#) are being modified to incorporate these changes.

2. **Registering Applications** – A new section, [1411.6](#), is being added to the KEESM to provide provisions for the timely registering of applications. With this change, applications for all programs that are not entitled to expedited benefits must be registered in KAECSES and KSCARES within two business days of the date of application. Applications that are entitled to expedited benefits must be registered within one business day of the date of application. For example, a non-expedited

online application is submitted on a Saturday. The date of application is the following Monday and the application must be registered by close of business on Wednesday. Or a non-expedited online application is submitted on the Wednesday before Thanksgiving. The application date is the following Monday and must be registered by close of business on Wednesday. For expedited, the same policy applies except the agency has only one day to register the application. So, an expedited application submitted online on a Saturday, must be registered by close of business on Tuesday. Or an expedited paper application received on a Friday must be registered by close of business on Monday.

3. **Lump Sums** – KEESM section [6410](#) (38) has been modified to provide that the one-time \$250 Social Security, SSI, Railroad Retirement and Veteran's payments made as a result of the ARRA are exempt as income. The ARRA specifically exempts these payments as income and also as a resource for the month of receipt and the following nine months.

## B. CLARIFICATIONS

1. **Self-Employment Deductions** – KEESM section [7122](#) has been updated to include a reference to self-employment tax return schedules which are being added to the KEESM Appendix.

## II. Adult Protective Services

### A. Changes

1. **Contacting the Alleged Perpetrator** – KEESM Section [12313](#) is being changed to remove the requirement that notification be sent to the alleged perpetrator using certified mail for the second attempt. Two attempts are still required, but both may be done using regular mail.
2. **Notice of Agency Decision** – KEESM Section [12420\(2\)\(a\)](#) is being changed to reflect accurate wording from 'three' days to 'five' days, and to remove the language 'for unconfirmed findings only', and is being changed to 'for unconfirmed findings, notice may be sent regular mail'.
3. **Confirmed Findings** – KEESM Section [12430\(1\)](#) is being changed to remove the requirement that notices be sent using certified mail.

## III. CASH AND FOOD ASSISTANCE

### A. CHANGES

1. **Treatment of Annuities for TAF and Food Assistance** – A new section, [5634](#), Annuities for TAF and Food Assistance, is being included in the manual. Sections [5632](#) and [5633](#) have been marked as applicable to Medical and GA only, as the provisions in those sections were more restrictive than necessary for TAF and food assistance purposes. For TAF and food assistance, the fair market value of revocable annuities in the accumulation stage are considered a resource.

Irrevocable annuities in the payout phase are exempt as a resource, and the payments received from the annuity are countable unearned income.

## B. CLARIFICATIONS

1. **Face-to-Face Interviews** – This section of the manual is being revised to clearly state that an interview must be scheduled for all households (cash and/or food assistance) that apply for benefits including households that appear to be ineligible based on information provided on the application form, such as excess income or excess resources. The reason for this is that the interview serves a number of key functions in the eligibility determination process as follows:
  - It ensures the application is complete and that applicants who need help in understanding and completing the application receive that assistance.
  - The interview provides an opportunity for the case manager to clarify complex income rules and deductions based on an applicant's individual circumstances and to ensure that future household circumstances are reasonably anticipated.
  - Questionable or inconsistent information can be identified and resolved through the interview process.
  - The interview allows the eligibility worker to properly identify all verification requirements and provide appropriate assistance to enable the household to obtain satisfactory verification.
  - Finally, the interview provides an opportunity to ensure that key rights and responsibilities (such as reporting changes) are understood.

Section [1412.1](#) is being modified to include this change.

In addition, Section [9332](#) is being revised to clarify that households who fail to complete an interview scheduled on the ES-3820, Notice of Eligibility Review, but who subsequently return the application form after the date of the missed interview, must have another interview scheduled prior to denial for failure to complete the interview. An additional clarification is being included in this section. Wording found in [1414.2](#), stating that denials for failure to show for an interview take precedence over denials for failure to provide information, has been added to Section [9332](#). This applies mostly to food assistance and means that if the applicant fails to complete the interview process and fails to provide information requested prior to the interview, the review cannot be denied for failure to provide information. The review must be denied for failure to complete the interview.

2. **Requirements When a Face-to-Face Interview is Waived** – An additional clarification is being included regarding the scheduling of telephone interviews.

When scheduling telephone interviews, the customer must be provided with a specific date and time for the interview. If the customer does not have a telephone the agency can still schedule a telephone interview if the customer is provided a specific date and time to call the caseworker for the interview. This clarification is being included in Section [1412.5](#) and [9332](#) (interview at review).

Practices that ask the customer to call the office during blocks of time are not acceptable, nor is it acceptable to tell the customer the worker will call during a specified block of time, such as Monday afternoon from 1:30-4:30.

#### IV. CASH, FOOD ASSISTANCE AND CHILD CARE

##### A. CHANGES

None

##### B. CLARIFICATION

1. **Reinstatement of Assistance** – The KEESM is being clarified regarding reinstatement of assistance. Cases can be reinstated for failure to cooperate with Quality Assurance, if the household cooperates with Quality Assurance in the month following the month of closure. This clarification is being included in KEESM [1423](#).

#### V. CHILD CARE

##### A. CHANGES

None

##### B. CLARIFICATIONS

1. **Types of Child Care (KEESM [2830](#))** – Wording has been added to clarify that "AE" is not an actual EES child care subtype, but a payment code used as a mechanism for payment of child care for Vocational Rehabilitation Services.
2. **Eligibility and KsCares Payment Coding (KEESM [2851](#))** – Following item number 3, in the list of child care subtypes and reasons for child care codes that apply, the reason code for a TAF participant with the JO subtype is being corrected from "EP" to "EM".
3. **Financial Eligibility Specific to Child Care Program (KEESM [7540](#))** – Wording has been corrected to clarify that the means test does not apply if anyone in the household receives TAF.

#### VI. FOOD ASSISTANCE

##### A. CHANGES

1. **Able Bodied Adults Without Dependents (ABAWD) Provisions** – KEESM Section [2520](#) has been marked Reserved Starting April 1, 2009 through September 30, 2010. This change is a result of the American Recovery and Reinvestment Act of 2009, otherwise known as the economic stimulus bill. The ABAWD provisions are being suspended nationwide. When the policies are reinstated for October 1, 2010, any months of benefits received during the time period April 2009 – September 2010 will not count towards the reinstated three month time limit. In addition, all ABAWDs will start anew with a new 3 year time period at that time. Information about that will be provided in the October 2010 manual revision.

A correlating change is also being made as a result of this change. The work requirement exemption for ABAWDs is being removed from Section [3230](#). Affected persons shall be coded as mandatory on JOPR. Additional changes are being made in the following sections to remove references to ABAWDs: 1322.1, 2182, 3540, 4212.2 and 9122.1.

Additional information about the implementation of this change was provided separately since the change was effective April 1, 2009 via Policy Memo 09-02-01. Since the provisions are now incorporated into the KEESM, the Policy Memo is obsolete. In addition, the ES-4312, ABAWD Eligibility Tracking Form is also being obsoleted. The ABAWD Labor Surplus Chart, Appendix item [T-11](#), has been updated to reflect the changes to 2520.

2. **Increased Maximum Benefits** – The American Recovery and Reinvestment Act of 2009 increased maximum benefits by 13.6% effective April 1, 2009. This change was implemented with rollover in February when April benefits were created. As a result of this change, the following forms and appendix items have been modified effective April 1, 2009: [ES-1510.1](#), Computation of Food Assistance Benefit, [F-2](#), Food Assistance Program Standards, and [F-3](#), Food Assistance Program Benefit Tables.
3. **Establishing Claims and Repayment Agreements** – Section [11125](#) has been modified to include reference to the Central Collection Unit.

## B. CLARIFICATIONS

1. **Categorical Eligibility** – Several clarifications are being included in this section of the KEESM. First, procedures regarding coding vehicle use on VEHI are being removed since all vehicles are exempt for food assistance purposes. Under the section describing procedures for excess net income, several wording clarifications are being included regarding the Food Assistance Benefit Tables (Appendix Item [F-3](#)). A reference to the minimum benefit amount is being changed to \$16. In addition an example of how to reduce the net income is updated with current benefit information. And finally, a clarification is being included to state that if no benefit amount is reflected on the issuance tables according to the net income and household size in question, the case is eligible for zero benefits and that the case shall be closed. These clarifications are being

included in Section [2512](#).

2. **Re-Establishing Eligibility for Work Requirement Penalties** – Several clarifications to policy have been included in Section [3522](#) regarding re-establishing eligibility after cooperation with work requirements. These clarifications are as follows:
  - In food assistance applicant situations, if the household member penalized cooperates in the initial 30 day application time period, then benefits would be restored for that person to the date of application
  - For food assistance situations where a single person case was closed for a work related penalty and the person does not cooperate in the month following the month of case closure, eligibility can be reinstated the date the individual actually cooperates and reapplies for assistance. If the person cooperates in the month following the month of case closure, the case can be reinstated and benefits are not prorated. Refer to [1423](#).
  - In food assistance applicant situations where a single person case was denied for a potential employment penalty and the individual cooperates in the 30 day processing timeframe, the application is reinstated and benefits prorated from the date of the application.
3. **Simplified Reporting** – A clarification is being provided regarding categorically eligible households who are eligible for a benefit even when the household's net income exceeds the 130% reporting threshold for the household size. In these situations, the household is not required to report any changes until the time of the next review or IR (if applicable) whichever comes first. Notices V064 and F139 (approval) have been developed to send to affected cases explaining that they do not have any reporting requirements until the time of their next review or IR. This clarification is included in Section [9122.1](#). In addition, households are no longer required to report a change in the hours of an employed ABAWD. Simplified reporting notices will be revised and more information will be provided in the Implementation Memo.
4. **Household Failure to Act (Reviews)** – A clarification is being included in this section regarding households who fail to show for the review interview. For reviews, the notice of missed interview (NOMI), is incorporated into the notice of denial for failure to complete the interview process. This is a State option for reviews (but not initial applications).
5. **\$25 Unemployment Compensation** – The additional \$25 payment is counted as income for food assistance only. This income will be captured in KAECSES on the UNIN screen with an income type of OF. It is to be listed separately from the base Unemployment Compensation. By coding the income OF on the UNIN screen, it will apply this income only to the food assistance budget, and will exclude it from all other programs.

## VII. MEDICAL ASSISTANCE

A. **CHANGES** - The following changes are applicable to the medical programs as indicated.

1. **Poverty Level Changes** – New federal poverty level guidelines have been published by the Department of Health and Human Services. The guidelines affect the eligibility standards for the following medical groups:
  - a. Income standards for the Medicaid poverty level and HealthWave XXI program, premium standards for the HealthWave XXI program;
  - b. Income standards for the QMB, LMB, Expanded LMB, QWD, and Medicare Part D Subsidy programs;
  - c. Income standards for the TransMed program;
  - d. Income standards and premium standard for the Working Healthy (WH) program;
  - e. For spousal impoverishment, the minimum community spouse income allowance increases from \$1,750 to \$1,822. The dependent family member allowance increases from \$584 to \$608. The excess shelter deduction increases from \$191 to \$213.

The following KEESM sections, forms, and appendix items are modified with this change:

- Section [8144.2](#) and [8244.2](#)
  - [ES-3104.5](#), Determination of Need
  - [ES-3163](#), Income Allowance Determination Form
  - [ES-3165](#), Working Healthy Premium Information
  - Appendix Item [F-8](#), Medicaid and HealthWave Standards Separate implementation instructions will be issued to staff for these changes.
2. **Medicare Part D Subsidy Resource Standards** – The Social Security Administration has released new resource standards for the Medicare Part D Subsidy, as required under federal law.
    - a. **Subsidy Level D0** – The single person standard increases from \$6,290 to \$6,600. The standard for two or more persons increases from \$9,440 to \$9,910.
    - b. **All Other Subsidy Levels (D1, D2, D3, and D4)** – The single person standard increases from \$10,490 to \$11,010. The standard for two or more



persons increases from \$20,970 to \$22,010. KEESM [5130](#) is being updated with these changes.

3. **Breast and Cervical Cancer (BCC) program** – Women who report a pregnancy while receiving medical coverage under the BCC program are continuously eligible throughout the pregnancy and two postpartum months. KEESM [2693.4](#) has been updated to reference the continuous eligibility policies maintained in KFMAM.

## B. CLARIFICATIONS

None

**FORMS** (Explanation provided if not mentioned previously in this summary.)

### A. Medical Assistance

1. [ES-3104.5](#), **Determination of Need**
2. [ES-3163](#), **Income Determination Form**
3. [ES-3165](#), **Working Healthy Premium Information**

### B. Food Assistance

1. [ES-1510.1](#), **Computation of Food Assistance Benefit** revised April 2009.

**APPENDIX** (Explanation provided if not mentioned previously in this summary.)

### A. All Programs

1. [B-7](#), **Overpayment Checklist** – This checklist is new and is being added to the manual as a tool for staff to use when computing overpayments. Page One is for non-fraud overpayments and page two is for overpayments where fraud has been determined. Following the checklist will insure that all appropriate actions are taken when overpayments are determined. It is recommended that Regions mandate staff use the checklist when computing overpayments. The checklist was developed as an outcome of the Central Collection Unit.
2. [P-12](#), **Self-employment schedules**– Self-employment Instructions To be used with **2007** tax returns.
3. [P-13](#), **Self-employment schedules**–Self-employment Instructions to be used with **2008** tax returns.

### B. Child Care

1. [C-9](#), **In Home Child Care Handbook (ES-1654)** – This handbook has been updated to reflect more current information.
2. [C-10](#), **Child Care Provider Handbook (ES-1655)** – This handbook has been updated to reflect more current information.
3. [C-11](#), **The Parent-Provider Partnership (ES-1656)** – This handbook has been updated to reflect more current information.
4. [C-12](#), **Regulated Provider Enrollment (ES-1650)** – This document is being updated to provide space for needed information and to provide emphasis in areas where staff have found it to be needed.
5. [C-13](#), **Unregulated Provider Enrollment (ES-1651)** - This document is being updated to provide space for needed information and to provide emphasis in areas where staff have found it to be needed.
6. [C-14](#), **In Home Child Care Request (ES-1652)** – This document is being updated to provide space for needed information and to provide emphasis in areas where staff have found it to be needed.
7. [C-15](#), **Out of Home Relative Provider Enrollment (ES-1653)** – This document is being updated to provide space for needed information and to provide emphasis in areas where staff have found it to be needed.
8. [F-1](#), **Monthly Family Income and Family Share Deduction Schedule for Child Care** – This document has been updated to reflect the 2009 federal poverty levels.

#### C. Food Assistance

1. [T-8](#), **Reporting Notice Chart** – includes new simplified reporting notices F139 and V064.
2. [T-9](#), **Reporting Notices Matrix** – includes new simplified reporting notices F139 and V064.
3. [T-11](#), **The ABAWD Labor Surplus Chart.**
4. [F-2](#), **Food Assistance Program Standards.**
5. [F-3](#), **Food Assistance Program Benefit Tables.**

#### D. Medical Assistance

1. [F-8](#), **Medicaid and HealthWave Standards**
2. [W-6](#), **MACM Worksheet**

### 3. [R-1](#), **Medical Subrogation Referral – Adoption**

**MISCELLANEOUS FORMS** (Explanation provided if not mentioned previously in this summary.)

[FRS-1](#), **Referral for Alleged Client Fraud** – This form was revised for the implementation of the Central Collection Unit. The form can be download from the KEESM website and completed electronically. The previous version of the form dated 12-93 is obsolete.

#### **EFFECTIVE DATE**

All policies in this revision are effective May 1, 2009, and these policies apply to all applications and reviews received or processed on or after that date unless stated otherwise. They also apply to ongoing cases at the time of the next case change involving the affected policy unless stated otherwise. Additional information is being included in the Implementation Memo.

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

**Child Care:** These clarifications and updates will have minimal affect on local staff.

**Medical:** The medical changes in this revision will likely result in a slight increase in staff effort to incorporate the new poverty level changes.

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

ES-3100.5, **Health Benefits Renewal Form HealthWave and/or Medicaid** – This form has not been in use for some time and will now be labeled 'Obsolete' in KEESM.

ES-4312, **ABAWD Eligibility Tracking Form.**

#### **COORDINATION EFFORTS**

Within EES, the material in this letter and manual revision has been coordinated with staff in Economic and Employment Support, the EES Program Administrators, the Implementation Planning Team, the Training Advisory Team. The medical material has been coordinated with KHPA. Successful Families material has been coordinated with the Work Experience/Community Service Work Site Development/Utilization Work Group, SRS Legal, and KCSDV. Child Care material has been coordinated with the Child Care Provider Enrollment Workgroup.

Sincerely,  
Bobbi Mariani, Director  
Economic and Employment Support  
BM:AM:lf

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