

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

12-14-09

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. 42 effective January, 2010.

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 the exemption of earned 2010 Census income for all programs from January 1, 2010 to September 30, 2010. This revision also exempts payments from the Filipino Veterans Equity Compensation Fund for all programs. This fund was created by the American Recovery and Reinvestment Act (ARRA) of 2009.

In addition, this revision implements the exemption of the supplemental \$25 a week unemployment compensation authorized by ARRA. This payment has been exempt for Medicaid, and with the passage of the Worker, Homeownership, and Business Assistance Act of 2009, the payment is now exempt for food assistance (mandated by the aforementioned Act), cash and child care. The exemption of this income is effective November 1, 2009. Additional implementation instructions will be provided in the Implementation Memo.

This revision also implements a clarification regarding the receipt of information/verification that is received after business hours. Information/verification received after business hours is considered received the next business day, unless the information/verification has a time and date stamp, such as emails and faxes. Those items are considered received the day of the date and time stamp.

Food Assistance – This revision implements changes to the Food Assistance Employment and Training Program. Effective with this revision, the Employment and Training Program is not mandatory for recipients, meaning no penalties will be applied for failure to cooperate. The only work related requirements that will continue to result in a penalty are the comparable requirements of 2550 and the potential employment provisions of 3540.

Food Assistance, Child Care and Medical – Policy is being changed for reporting changes between SRS and the Clearinghouse. On non-TAF cases, staff will no longer be required to report customer changes to the other agency. The customer is now responsible to report any changes to the appropriate agency.

Food Assistance, Child Care and TAF– This revision includes clarifications regarding the budgeting of child support income, in particular the determination of whether to average or prospect child support income.

The definition of On the Job Training is being clarified. Clarification is being provided on what programs can utilize the Vocational Education component.

General Assistance – The state legislative reduction of Tier II GA life time benefits from 18 months to 12 months is included in this revision.

General and Medical Assistance – This revision includes an additional exemption from providing citizenship and identity verification. Children born on or after July 1, 2006 to a Medicaid recipient are not required to provide this documentation.

General Assistance and TAF – New procedures for the referral of GA and TAF adults and children to Kansas Legal Services are addressed in this revision.

Low Income Energy Assistance Program – Changes are being made to KEESM Section 13000 related to the move to the application processing center.

References to Western Resources (KGE or KPL) are being changed to Westar Energy.

Medical Assistance – Costs related to Medicare Part D and the Subsidy program are changing. The benchmark premium amount for Kansas and the amount of prescription co-payments are increasing effective January 1, 2010. There is also a new resource exemption for the Subsidy program. Effective January 1, 2010, the cash value of life insurance premiums is exempt. The resource limit for the QMB, LMB, and Expanded LMB programs is increasing effective January 1, 2010 to mirror the limit in the Subsidy program.

Correction of a typographical error and a clarification has been added to the section concerning treatment of entrance fees to a Continuing Care Retirement Community (CCRC).

DESCRIPTION, PURPOSE, AND DETAILS OF POLICY CHANGE

I. All Programs

A. Changes

1. **Census Income** – The manual is being revised to exempt census income for all programs. The effective date is January 1, 2010 through September 30, 2010. Most temporary positions associated with the 2010 Census are enumerators who reside and work in their own communities, many of which will be low income. Excluding the income of temporary census employees assists the Census Bureau with staff recruitment and retention while allowing individuals with limited or no employment to gain valuable work experience without a reduction in benefits. The State also excluded temporary census income in 1990 and 2000. This change is included in KEESM [6410 \(65\)](#).

Note: Due to USDA reporting requirements, staff will need to include census

income on the EAIN screen. A special code must be used on EAIN that will exempt the income and allow the tracking and reporting necessary. Additional information will be provided in the Implementation Memo.

2. **Filipino Veterans Equity Compensation Fund** – The manual is also being revised to exempt payments from the Filipino Veterans Equity Compensation Fund as income and a resource. This fund was created by the American Recovery and Reinvestment Act (ARRA) of 2009 to compensate certain veterans and the spouses of veterans who served in the military of the Government of the Commonwealth of the Philippines during World War II. The compensation fund offers one-time payments of up to \$15,000 to eligible persons. A new exemption, number 22 has been added to [6410](#).
3. **\$25 Unemployment Compensation ARRA Payment** – The manual is being revised to exempt the supplemental \$25 UC payment authorized by ARRA. This payment is already exempt for purposes of Medicaid, but with the mandating of the exemption for food assistance, it is also now exempt for cash and child care. The law that exempts this payment for food assistance is the Worker, Homeownership, and Business Assistance Act of 2009. For consistency purposes, the payment is also being exempted for cash and child care.

Sections [6220\(5\)](#) and [6410 \(64\)](#) are being revised to incorporate this change.

The effective date of this exemption for food assistance is November 1, 2009. Special implementation instructions are required for food assistance and those will be provided in the Implementation Memo.

B. Clarifications

1. **Responsibility to Report Changes** – Section [1212.5](#) is being rewritten to align with policy in KEESM 9110 regarding reporting requirements of applicants. Simplified reporters are required to report if their income exceeds the 130% of the Federal Poverty level between the date of the application and the approval date within 10 days of the approval notice. All other individuals are required to report changes as defined in KEESM 9121 within ten days of the approval notice.
2. **Receipt of Verification/Information** – A clarification is being included in KEESM [1321](#) regarding the receipt of verification/information that is received after 5:00 pm (or closing time if after 5:00 pm), or received on a weekend or holiday. In these instances the information/verification should be considered received the next business day, with the exception of verification/information that contains a time and date stamp (such as faxes or emails). Those items are considered received the day of the date and time stamp.

A corresponding change is also being made in [1411.2](#) regarding online applications.

3. **Application Date** – When an application is received with no request for a specific program, contact with the applicant is necessary to determine which programs

they are requesting. KEESM [1411.2](#) is being updated with this clarification.

A paragraph is being added to the end of [1411.6](#) with information about registering applications when SRS becomes aware of the programs for which customers are applying.

If a new application is not required, the date a request for a new program is received will be the date of proration. An example is being added to [7401\(10\)](#) to illustrate this.

II. Child Care

A. Changes

None

B. Clarifications

1. **Personal Need** - A note is being added to Section [2820](#) clarify that if a self employed person is not earning at least the minimum wage after 6 months, child care assistance may be terminated.
2. **Agency Action on Timely Reapplication** – Wording is being added to section [9340](#) to clarify that this provision also applies to Child Care.
3. **Household Failure to Act** – Wording is being added to section [9350](#) clarifying that the Cash and Child Care provisions are the same.

III. Food Assistance

A. Changes

1. **Food Assistance Employment and Training Program** – This revision implements changes in the Food Assistance Employment and Training (E&T) Program. The program is now non- mandatory and no penalties will be applied for failure to cooperate with the Food Assistance E&T Program. In addition, administration of the E&T program has been contracted out to Heartland Works. The E&T program will be available in Shawnee and Geary counties only. The following sections of KEESM have been changed to implement this policy: [3100](#), [3230.1](#), [3500](#), [3511.1](#), [3511.2](#), [3522](#), and [3530](#).

With this change, the only work-related penalties that will still apply to food assistance customers are the comparable provisions of 2550 and the potential employment provisions of 3540.

B. Clarifications

1. **On-the-Job Training (OJT)** – Language is being included in KEESM [3310.5](#) that defines Job retention case management as part of OJT for both TAF work

programs and FAE&T

2. **Vocational Education (VOC)** – KEESM [3310.7](#) is being modified to show that VOC is available to FAE&T participants in designated counties

IV. Food Assistance, Child Care and Medical

A. Changes

1. **Non-TAF reporting requirements** – SRS and Clearinghouse staff will no longer be required to report customer changes to the other agency on non-TAF cases. Non-TAF cases include those cases receiving TAF transitional services, food assistance or child care only. In addition, a revised W-11 form is being created to report TAF changes between the agencies.

B. Clarifications

None

V. Food Assistance, Child Care and TAF

A. Changes

None

B. Clarifications

1. **Budgeting Child Support/Alimony Income** – The manual is being revised to clarify the budgeting of child support/alimony income. In particular, when to average child support/alimony income and when to budget it prospectively. This revision clarifies that if a court order for child support/alimony income was in effect prior to the three months that would be used in an average, that the child support/alimony received in the last three full calendar months prior to the month the budget is being created is used for the average. This includes situations where no support is received in the last three full calendar months and budgeted average is zero. If the court order went into effect in one of the three months that would be used in an average, then the support income will be projected based on verified information and not averaged. Other rules regarding the prospective budgeting of child support/alimony income remain in effect.

KEESM sections [7124](#) and [7125](#) are being revised to include this clarification.

VI. General Assistance

• Changes

1. **General Assistance GA Tier II** – Changes are being made to KEESM [2317](#) due to budget cuts to state funded programs. The GA Tier II recipients will only be

eligible for 12 months of GA life time benefits as of January 1, 2010.

- **Clarifications**

None

VII. General and Medical Assistance

A. Changes

1. **Citizenship and Identity Documentation** – Children born on or after July 1, 2006 to a Medicaid recipient are exempt from verifying citizenship and identity for General and Medical Assistance.

KEESM [1322.1](#) and [2145.2](#) have been updated with this revision.

B. Clarifications

None

VIII. General Assistance and TAF

A. Changes

1. **Referral procedures for Kansas Legal Services (KLS)** – KEESM [1724](#) is being revised to include changes in the referral procedures to Kansas Legal Services (KLS) for GA and TAF Adults and children. These changes allow GA workers to refer applicants immediately. All actions taken on SRS/KLS customers will be directly communicated between EES and KLS.

Language regarding referral to KLS by PMDT is being removed from KEESM [2314](#).

Form [IS-3122](#), Disability Consultation / Representation Referral to Kansas Legal Services, has been revised to include GA referrals to KLS. ES-3908, Referral to Kansas Legal Services, is now obsolete.

B. Clarifications

None

IX. LIEAP

A. Changes

1. **Centralized Application Processing** – SRS will no longer be processing LIEAP applications but will be responsible for several aspects of the process. The following KEESM sections are being updated related to this change: [13100](#), [13110](#), [13130](#), [13220](#).

2. **Date of Application** – With this change, the date an online application is received with an electronic signature will be considered the date of application. KEESM [13210](#) is being updated with this change. In addition, [13210](#) is being changed to reflect that alternatives are not available if an application is received without necessary information or verification. A notice will be sent requesting information or verification. The case will be closed if the information is not received in ten calendar days.
3. **Exempt Income** – The Filipino Veterans Equity Compensation fund is being added as exempt income. This change is being added as KEESM [13361](#)(13) with the following items renumbered as appropriate.
4. **Income Guidelines** – KEESM [13362](#) is being updated with the current 130% federal poverty level amounts.

B. Clarifications

None

X. Medical Assistance

A. **Changes**– The following changes are applicable to the medical programs as indicated.

1. Medicare Part D Subsidy

- a. **Prescription Drug Coverage** – Costs related to Medicare Part D are changing for 2010. The new amounts being incorporated in 2675.4. The co-payments for dual eligible Medicare Part D beneficiaries are increasing effective January 1, 2010:
 - For persons eligible for QMB, LMB, Expanded LMB or Subsidy level D0. The co-payments are increasing from \$2.40 per generic and \$6.00 per brand name to \$2.50 and \$6.30 respectively.
 - For full Medicaid eligibles with income at or below 100% of FPL, the co-payment for generics remain \$1.10 and the name brand co-payment will increase from \$3.20 to \$3.30.
 - For full Medicaid eligibles with income above 100% of FPL, the co-payments will increase from \$2.40 per generic and \$6.00 per brand name to \$2.50 and \$6.30 respectively.
 - For Subsidy D eligibles, co-payments will be \$2.50 per generic and \$6.30 per brand name after the catastrophic level is reached.

The catastrophic level, which does not impact deemed Subsidy eligibles, is changing from \$6,153.75 to \$6,440.

The benchmark Subsidy premium for Kansas is also changing from

\$33.66 to \$35.77 effective January 1, 2010. This figure impacts the amount of Medicare D Subsidy a beneficiary can receive. The Subsidy will provide coverage of the lowest premium a plan offers, up to the basic premium level for the state. A beneficiary receiving the Subsidy may elect an enhanced or higher cost plan, but he/she is responsible for the difference between the benchmark and the actual premium amount.

KEESM section [2675.4](#) is being updated with this revision.

- b. **Life Insurance Resource Exemption** – Effective January 1, 2010, the cash value of life insurance policies is exempt as a resource in determining eligibility under the Medicare Part D Subsidy program.

KEESM section [5430\(15\)](#)(c) is being updated with this revision.

2. **QMB, LMB, Expanded LMB Resource Limit Increase** – The allowable resource limit for the QMB, LMB, and Expanded LMB programs is increasing to mirror the limit for the Medicare Part D Subsidy program. Effective January 1, 2010, the resource limit is increasing from \$4,000 to \$6,600 for a single individual and from \$6,000 to \$9,910 for a couple.

KEESM section [5130](#) is being updated with this revision.

- B. **Clarifications** – The following clarifications are applicable to the medical programs as indicated.

1. **Continuing Care Retirement Community (CCRC)** – A typographical error is being corrected and a clarification added concerning the availability of entrance fees under a continuing care retirement community contract.

The first sentence of KEESM section [5430\(5\)](#)(c) incorrectly states that if all three conditions listed in (b) are not met, then the entrance fee is countable as a resource. The word “not” is being deleted from that sentence to correctly reflect that if all three conditions are met, then the entrance fee is countable. The subsection (c) designation is also being removed to avoid confusion since it is simply a continuation of subsection (b).

A NOTE is also being added to the end of this section to clarify that the CCRC entrance fee is an unavailable resource if the three conditions of subsection (b) are not met. In these instances, it shall be assumed that the payment of the entrance fee is a compensated transfer meaning an inappropriate transfer has not occurred.

KEESM section [5430\(5\)](#) is being updated with this revision.

XI. Successful Families

A. Changes

None

B. Clarifications

1. **Good Cause for Grandparents as Caregivers** – KEESM [2162.1](#) clarifies a grandparent must meet all nine criteria in order to claim good cause for not cooperating with Child Support Enforcement.

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

A. Child Care

1. [ES-1640](#), **Statement of Understanding – Income Eligible/Training-Employed Child Care Assistance**. A statement has been added to this form to make it clear that SRS will not provide child care assistance for the completion of a bachelors or higher degree unless it will be completed within six months.

B. General Assistance and TAF

1. [IS-3122](#), **Disability Consultation / Representation Referral to Kansas Legal Services**

C. Medical Assistance

1. [ES-3104.6](#), **Determination Worksheet for Pickle Eligibles and Other Protected Medical Groups**.
2. [ES-2002/ES-2002S](#) - **Medicare Savings Program** – Updated with the 1/01/10 eligibility guidelines

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

A. Child Care

1. [C-22](#), **KsCares Procedure: Child Care EBT Payments for RS Clients** - A note has been added to this procedure to remind staff that they need to delete any exception payments for unpaid months when a plan is terminated prior to the end of the original authorization period.

B. Medical Assistance

1. [A-12](#), **Charts of Acceptable Verification for Citizenship and Identify 01-10 Medical Assistance and General Assistance** - The **Indian Tribal Document** has been added to the end of Chart A.
2. [F-8](#), **Medicaid and HealthWave Standards** - The income standards have been updated to include the new upper limit for HealthWave of 241%. This item also includes the new premium levels.

C. Food Assistance, Child Care, TAF, Work Programs, General Assistance, and Refugee Cash Assistance

1. [V-1, EBT System Guide](#) - The EBT System Guide, has been updated to reflect recent changes. Updates include implementation of the SIVR with one call PIN select, availability of DVDs rather than video tapes, additional Help information related to merchants, customers and child care providers, references to the EBT Web Portal, lifting the limitations on yearly child care adjustments and changing food stamps to food assistance.

D. TAF and Medical

1. **W-11, TAF Change Form** – The form has been revised to accommodate the change to information shared with TAF and Medical cases.

W-11A, TAF Change Form – Instructions–The instructions for completing the W-11 form have been updated.

Both forms will be available to staff after January 1, 2010.

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

EFFECTIVE DATE

All policies in this revision are effective January 1, 2010, and these policies apply to all applications and reviews received or processed on or after that date unless stated otherwise. For ongoing cases the changes and clarifications are applicable at the time of the next review/IR or case change involving the affected policy. Additional information is being included in the Implementation Memo.

EFFECT ON LOCAL STAFF

All Programs: This change will help staff by relieving them of the task of verifying and budgeting this temporary earned income.

LIEAP: This change will eliminate the use of temporary staff in field offices to process LIEAP applications. It will relieve the Regions of the burdens related to the identification of space, allocation of resources, etc. related to the housing of the temporary labor force.

Medical: The medical changes contained in this revision should have only minimal impact on staff.

MATERIALS OBSOLETE BY THIS REVISION

ES-3908, Referral to Kansas Legal Services, is obsolete and IS-3122 will now be used for General Assistance and TAF referrals to KLS.

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. Successful Families material has been coordinated with the

Work Experience/Community Service Work Site Development/Utilization Work Group, SRS Legal,
and KCSDV.

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

Page Last Updated: 3/4/10 8:23 AM