



Department of Human Resources  
311 West Saratoga Street  
Baltimore MD 21201

## FIA ACTION TRANSMITTAL

Control Number: #03-03

Effective Date: August 1, 2002

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**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES  
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT  
FAMILY INVESTMENT SUPERVISORS AND ELIGIBILITY STAFF**

**FROM: CHARLES E. HENRY, EXECUTIVE DIRECTOR, FIA  
JOSEPH DAVIS, EXECUTIVE DIRECTOR, OOE, DHMH**

**RE: NEW 60-MONTH TIME LIMIT REQUIREMENTS**

**PROGRAM AFFECTED: TEMPORARY CASH ASSISTANCE**

**ORIGINATING OFFICE: OFFICE OF POLICY, RESEARCH AND SYSTEMS**

### **SUMMARY:**

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 established federal time limits for which a Temporary Assistance for Needy Families (TANF) customer can receive benefits. In addition, state legislation, Senate Bill 778, provided time limits to receive Temporary Cash Assistance (TCA) if federal legislation imposed 24 and 60-month time limits.

Up to 20 percent of the TCA caseload may be exempt from the federal lifetime limit due to hardship when TCA adults are unable to become employed through no fault of their own. Adult parents exempt because of hardship, who exceed the 20 percent will be paid TCA from state funds; children in these families will be paid with federal funds.

During the 2001 session, the Maryland General Assembly passed Senate Bill 541 - the Welfare Innovation Act of 2001. Provisions of this bill include the new requirements for TCA customers who reach the 60-month time limit.

➤ **There is no change to the 24-month time limit requirements.**

## **ACTION REQUIRED:**

Because Maryland implemented the TCA program on January 1, 1997, the first TCA customers reached their 60-month time limit on January 1, 2002. Local departments must apply the following criteria for TCA customers reaching the 60-month time limit:

## **60-MONTH TIME LIMIT REQUIREMENTS**

- Federal TCA benefits cannot be paid to adults who have received TCA benefits for 60 months whether consecutive or not **unless they meet the requirements for a hardship exemption.**
- Customers in Maryland will not lose TCA benefits **simply because they have reached their 60 months of benefits.**
- **Customers will lose benefits** (individual or full-family), as they always have, if they fail to:
  - ▶ Develop or follow through with their Family Independence Plan or
  - ▶ Meet other FIP requirements, such as work, child support, substance abuse, school, etc.
- For the purpose of this action transmittal,
  - ▶ **“Customer”** means an adult parent included in the TCA assistance unit.
  - ▶ **“Assessment”** means an evaluation at application, recertification or as the customer's needs change that considers the customer's educational level, job skills and readiness, and interests to determine appropriate activities for the customer.
  - ▶ **“Plan”** means the Family Investment Program's written and signed mutually agreed upon Family Independence Plan that includes activities and other actions the customer is expected to complete and the supportive services the local department is expected to provide to the family.
  - ▶ **“Good faith effort”** means the customer has made every effort to meet the terms outlined for the customer in the Plan.
  - ▶ **“Supportive services”** means services provided to the TCA family based on the assessed needs of the customer by the local department or through referrals to service providers (such as, but not limited to, counseling, Social Services, vocational rehabilitation referral, education, training, other evaluations).

### **1. DETERMINING 60 MONTHS OF BENEFITS**

When determining the number of months that a customer has received TCA:

- A. **Count** the number of months TANF cash assistance was received in another state.
- B. **Count** the number of months TCA was paid in Maryland since January 1, 1997.
- C. **Do not count** any month TCA was received during which the individual was:
  - (1) Still a minor child;
  - (2) Not the head of household or married to the head of household;
  - (3) Living on an Indian reservation or in an Alaskan native village with 50% unemployment; and
  - (4) Receiving assistance in the following state-funded TCA programs for:
    - Victims of domestic violence;
    - Individuals with a disability of 12 or more months, filing for SSI and cooperating with the Disability and Entitlement Assistance Program (DEAP);
    - Non-parent caretaker relatives on the grant with no children of their own; and
    - Families receiving the 35% disregard for earned income.
- D. **Do not count** the months a TCA assistance was overpaid and the total amount of the TCA overpayment has been repaid (such as an **IPV** and the fraudulent act occurred **after** October 1, 1996).
- E. Review **TCA Ctr** field on the customer's **DEM2** screen.
- F. Use the CARES TLE reports sent to local departments that list customers and the number of months TCA benefits have been received since January 1, 1997. The reports were initially produced and distributed to help ensure that customers who reach the 24-month time limit are participating in a state defined work activity. These reports identify the customers approaching/reaching 60 months.
- G. Run the TLE reports from WO MIS that provide information regarding the number of months a customer has received TCA as well as work activity status. The reports generated from the run identify the local department's customers that are approaching/reaching 60 months.

## 2. DETERMINING A HARDSHIP EXEMPTION

Local departments shall determine a customer who has reached 60 months of cash assistance exempt because of hardship if:

A. There is documentation:

- (1) Of initial and updated (as needed) assessments that consider the customer's educational level, job skills and readiness, and interests to determine appropriate activities for the customer.
- (2) Of an updated, written and signed **mutually agreed upon** Plan (by both the customer and a case manager) that states the:
  - (a) Activities and other actions the customer is expected to complete; and
  - (b) Supportive services the local department is expected to provide to the family.
- (3) On CARES and/or in the paper case record that shows the customer has:
  - (a) Been offered or provided the supportive services by the local department as stated in the Plan;
  - (b) Demonstrated good faith effort to satisfy work activities specified in the family's Plan; and
- (4) May have experienced significant barriers beyond the customer's control that prevented participation in the work activities specified in the family's Plan.

**OR**

B. The local department **did not** meet the assessment, Plan and supportive services requirements as stated in A (1), (2) and (3) (a) above.

### **3. HARDSHIP EXEMPTION PROCEDURES**

When a hardship exemption is granted, the local department shall ensure that the:

A. Case record (CARES and paper) includes documentation that the:

- (1) Customer has had an initial **assessment** and the assessment has been updated as the needs of the customer and/or the family have changed.
- (2) Local department has **maintained** a Plan that is currently in effect. Maintenance includes updating the supportive services to be provided and customer activities as required according to the customer's changing needs.

- (3) Customer has made a **good faith effort** to meet the activities and other expectations in the Plan (such as, but not limited to, keeping appointments, completing assigned work and other required activities).
- (4) Local department's efforts to ensure that the terms and conditions stated in the Plan **have** or **have not** been fulfilled by the **customer**.
- (5) Local department's efforts to ensure that the terms and conditions stated in the Plan **have** or **have not** been fulfilled by the **local department**.

B. Case record documentation includes, but is not limited to:

- (1) An initial and updated assessment as the needs of the customer change.
- (2) A current Plan that is updated as the needs of the family change; and
- (3) Referrals and outcomes of the following:
  - Assessments;
  - Disabilities;
  - Counseling;
  - Social Services;
  - Other supportive services;
  - Testing;
  - Education programs;
  - Job search;
  - Job training;
  - Work experience; and
  - Employment.

C. Based on the review of the family's case record, the case manager makes a recommendation in writing (on a form developed by the local department) as to:

- (1) **Whether** a hardship exemption **should be** granted; **and**
- (2) The **reasons** why a hardship exemption **should be** granted; **or**
- (3) The **reasons** why a hardship exemption **should not** be granted.

The recommendation includes a determination whether the local department made the supportive services available to the customer as specified in the Plan.

D. The customer is granted a hardship exemption:

- (1) If the local department did not make the agreed upon supportive services in the Plan available to the customer; **or**

- (2) The supportive services provided did not remove barriers, and the customer demonstrated good faith efforts to keep the terms of the Plan.
- E. When the hardship exemption is granted, a **new assessment** must be completed **within 45 days** for the customer that considers the:
- (1) Reasons for continued reliance on TCA;
  - (2) Educational level, job skills and readiness, and interests, to evaluate the customer for appropriate work activities;
  - (3) Available personal and family resources to help the family become independent;
  - (4) History of family violence; and
  - (5) History of substance abuse.
- F. When the hardship exemption is granted, a new Plan between the customer and the local department is required **within 60 days**.
- (1) The case manager and the customer develop, sign and date the new mutually agreed-upon Plan that states what must be done, when and by whom to:
    - (a) Overcome the customer's barriers to employment;
    - (b) Help the customer prepare for the transition to work; and
    - (c) Ensure the family becomes independent.
  - (2) The new Plan includes, but is not limited to, the following:
    - (a) A statement of the goals and intent of the Plan;
    - (b) Barriers or problems identified that must be overcome to achieve the goals of the Plan;
    - (c) The services and supports the local department provides to help the family overcome the identified barriers;
    - (d) The time frames each service and support is to be provided by the local department;
    - (e) Each responsibility and activity the customer is to accomplish; and
    - (f) The time frames in which the customer is to accomplish each task.

#### 4. APPROVAL OF THE HARDSHIP EXEMPTION RECOMMENDATION

The case manager's recommendation (to **grant or not grant** a hardship exemption) and new Plan is reviewed and approved by:

- A. A FIP supervisor; **and**
- B. The director of the local department or designee. **If a hardship exemption is not granted, the director or designee will ensure that the family is referred to services, if appropriate.**

#### 5. SANCTIONS AND CLOSINGS:

##### A. Sanctions

- (1) Case managers use the appropriate CARES code for the number of sanctions imposed for not meeting work requirements:
  - Code 501 - 1<sup>st</sup>, **must be cured** by at least one day of compliance;
  - Code 502 - 2<sup>nd</sup>, **must be cured** with 10 calendar days of compliance; and
  - Code 503 - 3<sup>rd</sup> or more, **must be cured** with 30 calendar days of compliance.
- (2) The compliance requirement is 30 days for three or more sanctions. Customers who have been sanctioned 3 or more times for noncompliance with work requirements **are not issued benefits for the 30-day required period of compliance and that month is not counted toward the 60-month time limit.**
- (3) Follow the conciliation and sanction procedures outlined in AT #02-47 the updated Conciliation and Sanction Guide.

##### B. Closings

- (1) Customers will lose benefits (individual or full family), as they always have, if they fail to:
  - (a) Develop or follow through with their Family Independence Plan or
  - (b) Meet other FIP requirements, such as work, child support, substance abuse, school, etc.
- (2) Continue to close cases as appropriate for noncompliance with any FIP requirement.

## 6. Food Stamps

- A. If the TCA application is **denied** and the family has also applied for food stamps, the food stamp application is processed and benefits paid to all eligible household members.
- B. If the TCA case is closed use phantom income and any other income received by members of the assistance unit prior to the closing.

## 7. Medical Assistance

- A. When the TCA application is **DENIED**, the MA application is processed for the caretaker relative and the children in the assistance unit.
- B. When a TCA case is **CLOSED**, the MA case trickles to an NPA-MA category for the family. The end date for the MA case is the date the TCA certification period would have ended if the case had not been closed.

**NARRATE ALL CASE ACTIVITY CAREFULLY:**

Local departments must ensure that narration of case activity is clear, concise, and complete explaining what the customer did or did not do that was required and the actions taken by the case manager. Good narration also supports local department decisions in the event of an administrative hearing or selection of the case for Quality Control review.

**FREE-FORM TEXT ON NOTICES:**

Case managers must add plain English, case specific free-form text to the appropriate CARES notice so that the customer is able to read and understand the reason for the sanction or closing.

**RIGHT TO APPEAL:**

As a reminder, local departments shall advise households of their right to appeal a local department decision and the procedures for requesting an administrative hearing. Local departments must also advise households of any legal services that might be available to represent them during an administrative hearing. To find out the number of their local Legal Aid office, customers may call Legal Aid's toll-free number, 1.800.999.8904.

**INQUIRIES:**

Please direct TCA policy questions to Edna McAbier at 410-767-8805, Food Stamp policy questions to Marilyn Lorenzo at 410-767-7333, Medical Assistance policy questions to Cynthia Davis at 410-767-7495 and Systems questions to Gina Roberts at 410-238-1297.

**ACTION DUE:** August 1, 2002

c: DHR Executive Staff  
DHMH Executive Staff  
FIA Management Staff  
DHMH Management Staff  
Constituent Services  
DHR Help Desk  
RESI

## CARES PROCEDURES (for New Requirements for 60-Month Time Limits)

- Since the inception of TANF, the definition for State-funded cases has changed several times. As the TCA program progressed, the TLE counter was added to the **DEM2** and CARES caught up with the appropriate number of federal benefits paid to an individual.
  - A screen was developed to assist local departments in determining the correct TLE counter for each adult in the TCA assistance unit, especially when they are close to or reach the 60-month time limit.
1. From **DEM2** press **PF20** (Shift PF8 on a PC) to view the **MOE AND TWO PARENT HISTORY DISPLAY** screen:

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### MOE AND TWO PARENT HISTORY DISPLAY

PAGE: 01

MORE

**IRN 479001917 MARY SMITH**

**Benefit Month (MM YY) 01 02 As Of Date 12 06 01**

<b>AU</b>	<b>Benefit Month</b>	<b>Two Parent</b>	<b>MOE Reason Codes</b>	<b>TANF Y/N</b>	<b>TLE Counter</b>
300024789	Jan 2002	NO		Y	56
300024789	Dec 2001	NO		Y	56
300024789	Nov 2001	NO	EI	N	55
300024789	Oct 2001	NO	EI	N	55
300024789	Sep 2001	NO		Y	55
300024789	Jul 2001	NO		Y	54
300024789	Jun 2001	NO		Y	53
300024789	May 2001	NO		Y	52
300024789	Apr 2001	NO		Y	51
300024789	Mar 2001	NO		Y	50
300024789	Feb 2001	NO		Y	49
300024789	Jan 2001	NO		Y	48

Message

1-Help 3-DEM2 7-Pg Bck 8-Pg Fwd

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2. This screen displays TCA data for the specified customer on the **DEM2** screen.

Data displays only for the months TCA is paid in a state-funded program.

- (a) For a new TCA application, no data appears on this screen.
  - (b) For a closed case that is in the process of being reopened, data will be displayed for the months that the TCA AU was previously open.
  - (c) Since none of the MOE rules or the TWO-PARENT rule was effective prior to JANUARY 1997, the TANF indicator is filled with a space when displaying data for DECEMBER 1996 or earlier.
  - (d) This screen displays only the AUs for which the specified customer was a recipient.
3. All of the fields on this screen are automatically entered by the system. An explanation of each field is indicated below.
- (a) **IRN** – Refers to the individual listed on the DEM2 Screen
  - (b) **BENEFIT MONTH** – This field defaults to the ongoing month
  - (c) **AS OF DATE** – This field defaults to the current system date
  - (d) **AU** – The individual's TCA Assistance Unit Number at the time TCA benefits was received
  - (e) **BENEFIT MONTH** – This field indicates the Month/Year that TCA benefits was received
  - (f) **TWO PARENT** – This field indicates if the individual was a member of a Two-Parent family for TCA
    - **Y** – indicates the individual was a member of a Two Parent TCA family
    - **N** - indicates the individual was not a member of a Two Parent TCA family
  - (g) **MOE REASON CODE** – The following codes identify Maintenance of Effort (State Funded) TCA:
    - **DS** – DISABLED
    - **DV** - DOMESTIC VIOLENCE
    - **CR** - CARETAKER RELATIVE
    - **AG** - 19 YEAR OLD CHILD
    - **LI** - LEGAL IMMIGRANT
    - **EI** - EARNED INCOME
  - (h) **TANF Y/N** – This field indicates if the TCA for the Benefit Month was Stated

Funded or TANF (Federally) Funded.

- **Y** – indicates TANF FUNDED
- **N** - indicates STATE FUNDED

(i) **TLE COUNTER** - This field indicates the TCA COUNTER for the Benefit Month in which TCA was received.

4. To **sanction (individual or full family)**, use the appropriate CARES reason code for the sanction type.
5. To **close cases**, use the appropriate CARES reason code for noncompliance with the corresponding FIP requirement.
6. Codes 510 and 511 **are not to be used** for any sanction or closing actions taken.