



Department of Human Resources
311 West Saratoga Street
Baltimore MD 21201

FIA ACTION TRANSMITTAL

Control Number: 06-37

Effective Date: Immediately

Issuance Date: April 21, 2006

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

FROM: KEVIN M. MCGUIRE, EXECUTIVE DIRECTOR

RE: WELFARE AVOIDANCE GRANT (WAG) REVIEWS

PROGRAM AFFECTED: TEMPORARY CASH ASSISTANCE

ORIGINATING OFFICE: OFFICE OF PROGRAMS

Summary:

The purpose of a Welfare Avoidance Grant (WAG) is to meet a family's immediate and compelling need and prevent them from going on welfare (TCA) or to assist a family in getting off welfare. It is a short-term, non-recurrent, cash payment. A WAG should help a family gain or maintain independence from TCA.

A WAG may be offered to a TCA applicant family or recipient family according to the local department WAG Plan, also called Standard Operating Procedures (SOP), which has been approved by DHR.

In July 2005, the Maryland Office of Legislative Audits recommended that WAGs be reviewed through CPRS or SRS. This recommendation was determined to be difficult because WAGs are issued based on the local plans rather than statewide procedures and to make the required changes to the CARES CPRS system would be cost prohibitive. To meet the WAG monitoring requirement, FIA agreed to a central office review of each local department's WAG SOP and to review a sample of all local department issued WAGs. The review was completed in February 2006.

This action transmittal identifies deficiencies that resulted from the review of local department WAG SOPs and the online CARES review of a sample from each local department's WAG issuances during October 2004 through September 2005.

Action Required:

Although local flexibility exists in determining individual local department WAG policy, local departments must follow specific requirements described in Chapter II, Section 1 of the TCA Manual and Action Transmittal 04-32.

At minimum, local department WAG SOPs must include procedures for an Independence Plan, WAG Agreement, Rights and Responsibilities, who approved the WAG, method of payment, the number of WAGs that can be issued to a customer within a given time period, the specific needs covered, WAG amount limits and eligibility requirements.

The following deficiencies were identified during the WAG review:

- I. Standard Operating Procedures (SOPs) did not include:
 - A. A mutually agreed upon **Independence Plan** that determines that a WAG is more beneficial than beginning to receive or continuing to receive TCA.
 - B. A **WAG Agreement** signed by the customer and case manager that clearly states the need, amount, the time period the WAG covers and that TCA benefits may not be paid during that time period.
 - C. The **Rights and Responsibilities** statement signed by the customer and case manager under penalty of perjury.
 - D. Who is required to **approve** WAG issuances (director, assistant director or designee).
 - E. **Method of payment** – check to vendor or check to customer or both.
 - F. The **number of WAGs** that can be issued to a customer in a certain time period.
 - G. The **specific needs** that WAGs are intended to cover.
 - H. The **WAG grant amounts** that can be issued.
 - I. Terms of **financial eligibility** that must be met.
 - J. Terms of **technical eligibility** that must be met.
- II. WAG Issuances – To help ensure a correct WAG issuance, narration on CARES must include:
 - A. The need the WAG covers.

- B. A WAG Agreement was signed by the customer and case manager.
- C. The Rights and Responsibilities statement was signed by the customer and case manager.
- D. Who approved the WAG.
- E. How the WAG was paid – to vendor or customer.
- F. The total amount of the WAG and a breakdown of items paid.
- G. The assistance unit size – to correctly determine the number of months of TCA ineligibility.
- H. The time period covered by the WAG that shows when the customer is ineligible for TCA.

Reminder: In calculating the number of months, any fraction remaining constitutes a full month of TCA ineligibility.

Please note, the items listed in A-H are needed for reviews and to determine eligibility for any future WAGs that may be issued (based on the local department's WAG SOP).

All local departments are encouraged to review:

- ✓ Their WAG SOPs to ensure that the areas listed in Section I Items A-J are included.
- ✓ The areas listed in Section II Items A-H to ensure that they are included in CARES narration for all WAGs issued.
- ✓ The reason for the WAG. Customers should not be penalized from receiving TCA by giving a WAG for utility bills that could otherwise be paid through an EAFC.

Inquiries:

Please direct WAG policy questions to Marilyn Lorenzo, TCA Program Manager, at 410-767-7333. email mlorenzo@dhr.state.md.us or Gretchen Simpson, TCA Lead Program Analyst, at 410-767-7937, email gsimpson@dhr.state.md.us.

cc: DHR Executive Staff
FIA Management Staff
Policy and Training Staff
Constituent Services
DHR Help Desk

