

Department of Human Resources 311 W. Saratoga Street Baltimore, MD 21201-3521

FIA ACTION TRANSMITTAL

Issuance Date:

June 9, 1997

Effective Date: July 1, 1997

Control Number:

FIA/OPA # 97-89

TO:

DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT

FAMILY INVESTMENT SUPERVISORS

ADMINISTRATORS, CHILD SUPPORT ENFORCEMENT AGENCIES

ADMINISTRATORS, BALTIMORE CITY AND QUEEN ANNE'S COUNTY OFFICES OF CHILD SUPPORT ENFORCEMENT

CHILD SUPPORT PROSECUTORS

FROM:

KEVIN MAHON, EXECUTIVE DIRECTOR, FIA

AFFORD LAYMAN, EXECUTIVE DIRECTOR, CSEA

RE:

CHILD SPECIFIC BENEFIT (CSB)

PROGRAMS AFFECTED: TEMPORARY CASH ASSISTANCE, FOOD STAMPS,

CHILD SUPPORT ENFORCEMENT

ORIGINATING OFFICE:

OFFICE OF POLICY AND RESEARCH

BACKGROUND:

Senate Bill 499, the Welfare Innovation Act of 1997, revised the child support retention procedure for CSB children associated with TCA cases. Current procedures in FIA Action Transmittal 97-78 require the deduction of child support payments made specifically for the CSB child from the CSB benefit to determine the proper benefit to be paid. The agency did not retain the child support payment but instead passed it through to the TCA customer on behalf of the CSB child. Additionally, the worker counted the CSB child support payment in full when calculating Food Stamp benefits for the household.

NEW PROCEDURE:

Local departments will not pass through child support payments collected on behalf of a CSB child to the customer. Instead, the agency will retain them as is the procedure for all other TCA cases.

- Do not deduct child support paid specifically for the CSB child from the CSB benefit to determine the proper CSB benefit amount.
- Do not count CSB child support when calculating the regular TCA benefit.
- Do not count CSB child support when calculating the household's Food Stamp benefit.

Example: CSB TCA CASE WITH CSB CHILD SUPPORT INCOME ONLY

There is an existing TCA case for a household of 2. The benefit amount is \$295. A CSB child enters the case. There is no income except \$50 of CSB child support. The new household size is three, the new total benefit amount is \$377.

- \$377 New Total Benefit Amount
- -295 Previous Total Benefit Amount
- \$ 82 CSB Incremental Portion to be paid as CSB
- \$295 Regular Benefit Amount to be paid as a regular payment

CSB TCA CASE WITH (EARNED OR UNEARNED) INCOME:

Base the CSB benefit for TCA cases with income (earned or unearned) on a prorata share of the total benefit. The worker must compare the prorata share to the incremental increase. The CSB benefit cannot exceed the amount of the incremental increase. Do not deduct the child support payment collected on behalf of the CSB child from the incremental increase.

Example: CSB TCA CASE WITH INCOME

There is an existing TCA case for a household of 2. There is \$100 of countable income after disregards. This old benefit amount was \$195. A CSB child enters the case. The new household size is three, the new cash benefit amount is \$277 (\$377 - \$100).

STEP ONE: CALCULATE NEW CSB INCREMENTAL PORTION

- \$277 New Benefit Amount
- -195 Previous Benefit Amount
- \$ 82 CSB Incremental Portion Of The Total Grant

STEP TWO: CALCULATE PRORATA SHARE

- \$277 New Benefit Amount
- ÷ 3 New Household Size of 3
- \$ 92 Prorata Share

STEP THREE: COMPARE AND TAKE THE LESSER OF THE AMOUNTS CALCULATED IN STEPS ONE AND TWO

- \$82 CSB Incremental Portion of the Total Grant
- \$92 Prorata Share

STEP FOUR: SUBTRACT AMOUNT OBTAINED IN STEP 3 FROM THE NEW BENEFIT AMOUNT

\$277 New Benefit Amount
\$82 CSB Benefit Amount
\$195 REGULAR TCA BENEFIT

NOTE:

AIMS JURISDICTIONS: There is no longer a need to specify that a child is CSB on the 903 and 909-A.

<u>CARES JURISDICTIONS</u>: There is no longer a need to send the 903 and 909 forms to child support off line.

There is no impact on the Child Support staff. Collections will be processed the same as collections for TCA cases.

ACTION REQUIRED:

All local departments will implement the revised CSB child support collection procedure and benefit payment process on July 1, 1997.

ACTION DUE DATE:

July 1, 1997

INOUIRIES:

Direct policy questions to Patricia Jeffers at (410) 767-7143. Direct system questions to Peggy Glassman at (410)767-8592, or the DHR Help Desk at (410) 767-7002 or 1-800-347-1350.

CC:

DHR Executive Staff

FIA Management Staff

CSEA Management Staff

Child Support Program Supervisors

Constituent Services

Help Desk