



Department of Human Resources
311 West Saratoga Street
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FIA ACTION TRANSMITTAL

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**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS & CASE MANAGERS**

**FROM: ROBERT J. EVERHARD, EXECUTIVE DIRECTOR, FIA
JOSEPH E. DAVIS, EXECUTIVE DIRECTOR, DHMH/OOE**

RE: KINSHIP CARE SUBSIDIZED GUARDIANSHIP PROGRAM

PROGRAMS AFFECTED: ALL PROGRAMS

ORIGINATING OFFICE: OFFICE OF POLICY, RESEARCH AND SYSTEMS

SUMMARY

In April 1997, the Department of Health and Human Services awarded the Social Services Administration approval to conduct a five-year demonstration project to test the feasibility of subsidized guardianship for children who are court-committed to a local department of social services and living with non-parent relatives. The demonstration project is designed to provide a more permanent family living arrangement for children in the custody of the local departments of social services. Participation in the demonstration project is voluntary. Families are randomly selected and asked if they would like to participate in the pilot project.

Under this demonstration project SSA pays a subsidy of \$300 per month per child to the non-parent caretaker relative for care of the child if the caretaker relative agrees to become the child's court appointed guardian. When the relative becomes the legal guardian, the State is no longer legally responsible for the child's care and the Foster Care/Kinship Care case is closed.

REQUIRED ACTION

TCA

1. Upon notification from the Social Service Administration that a child who is a member of a TCA unit will become a participant in the subsidized guardianship program the Case Manager:
 - Sends an adverse action notice to the caretaker relative notifying them that the child shall be removed from the grant.
 - Redetermines the child's MA eligibility as FAC or MCHP (**see the following CARES procedures**).

Note: When the AU consists only of a needy non-parent caretaker relative and child, and the child becomes a participant in the subsidized guardianship program, remove the child from the TCA AU and continue to pay the needy non-parent caretaker relative TCA benefits for a household size of one. (**See Exception-Needy Non Parent procedures**).

2. The \$300 per month subsidy payment is not a resource to the other household members.

Food Stamps

1. For food stamps the household has the option of including or excluding the child receiving the \$300 subsidized guardianship payment from the food stamp AU.
2. If the child is included in the food stamp AU, the \$300 subsidized guardianship payment is treated as countable income to the food stamp AU.
3. If the household chooses to exclude the child receiving the \$300 subsidized guardianship payment from the food stamp AU, the \$300 is not countable income to the food stamp AU.

Medical Assistance

1. Children previously certified in the Foster Care track (E01, E02, and E03) must have eligibility redetermined when the guardianship goes into effect. The eligibility worker must obtain an application from the caretaker relative which list the child's permanent address. This will ensure that the MA card, eligibility letters and Health Choice materials will be mailed directly to the child at the family address.

The Case Manager must verify with the customer whether there are any financial or non-financial changes.

2. The \$300 monthly payment is fully excluded for both the child applicant and for the guardian and family if they apply, regardless of the coverage group in which eligibility is being determined.
3. Eligibility for the child must be redetermined in either the Family and Children's program (FAC) or in the Maryland Children's Health Program (MCHP).
 - If the caretaker relative does not want Medical Assistance the child will be an assistance unit of one, which means that the income and assets of the guardian and other family members will **not** be considered available to the child.
 - If the caretaker relative wants Medical Assistance, determine eligibility for the AU under FAC counting all assets and income. If ineligible or preserved, determine the child's eligibility under MCHP.
 - If eligibility under FAC is determined for the child only, the child's own assets, such as bank accounts, savings bonds, etc. are counted. Assets are not counted under MCHP.
 - If eligibility under FAC or MCHP is determined for the child only, the child's own income, such as Social Security survivor's benefits, child support, or earnings are counted.

NOTE: Children who enter this program are not guaranteed Medical Assistance coverage. This means that a child could fail to be eligible for MA if his/her own countable assets exceed \$2,500 **and** his/her own income exceeds 200% of the Federal Poverty Level, currently \$1,392 per month. Potential participants who exceed **both** of these limits should be advised that MA eligibility might not continue when the case is redetermined.

CARES PROCEDURES FOR THE SUBSIDIZED GUARDIANSHIP PROJECT

Determine eligibility for the child in FAC (F05) or MCHP (P06)

- “J” screen an FAC Medical coverage program using the caretaker relative as the HOH.
For example:
A child over 19 years old must have eligibility determined in FAC and not have eligibility determined in MCHP.
If the caretaker relative is seeking MA, determine eligibility in FAC.
If the child is not eligible as FAC, the AU will sprout to MCHP.
- During the screening process, you **must match the child (ren)** exactly to keep the same Client ID and demographic information.
- Enter c/o the caretaker relative’s name on the address line 1
- Type Sub. Guardianship on the address line 2. **(This information must appear exactly as printed on all subsidized guardianship cases for reporting purposes).**
- Enter the child’s permanent address in the residential address fields on ADDR.
- In “O” (Interview), the financial responsibility for the caretaker relative (HOH) should be “NM” unless they want to be a part of the MA coverage group then the financial responsibility would be “PN”.
- In “O” (Interview), on the DEM1 screen of the child (ren) the living arrangement will be “AH”.
- On the UINC screen of the child (ren) enter all unearned income. Enter the subsidy amount as “ON” (other non-countable income). Enter the verification and the frequency.
- On the AST screen list any assets that the child (ren) may have.
- Complete “P” and “Q”. **Do not suppress the notice.**
- Narrate this action.

If the child is active in a Foster Care AU

- “J” screen the new Medical Assistance coverage group for the current and on-going months listing the caretaker relative as the HOH.
- During the screening process, you **must match the child(ren) exactly** to keep the same Client ID and demographic information.
- In “O” (Interview), the financial responsibility for the caretaker relative (HOH) should be “NM” unless they want to be a part of the MA coverage group then the financial responsibility would be “PN”.
- On the UINC screen enter all unearned income for the child. Enter the subsidy amount as “ON” (other non-countable income). Enter the verification and the frequency.
- On the AST screen enter all assets/resources for the child.
- In “P” (processing), deny the application month with code “555” for the new MA coverage group.

- On the DEM1 screen of the child in the ongoing month, change the living arrangement to “AH” (at home).
- On the UINC screen of the child in the ongoing month, remove the Foster Care income. (The Foster Care MA will close).
- Complete “P” and “Q”. **Do not suppress the notice.**
- Narrate this action.

If the child(ren) is active in a TCA AU where the caretaker relative is coded a non-member (NM) on the STAT screen

- Select Option “L”(Add a Program) using the TCA AU number on the KIND screen select Medical Assistance as the program.
- On the INCH screen put a “Y” beside the FAC MA coverage group.
- In Option “O”(Interview), if the caretaker relative (HOH) decides to be a part of the MA, list the financial responsibility as “PN” for the FAC MA. If the caretaker relative chooses not to be a part of the FAC MA, list the financial responsibility as “NM”.
- On the UINC screen of the child(ren) enter the subsidy amount as “ON” (other non-countable income). Also list any other unearned income that the child may be receiving.
- On the AST screen list all resources for the child (ren).
- In Option “P” (Processing), on the STAT screen for the TCA AU in the ongoing month, in the AU status field enter code “557” to close the TCA AU. On the MA AU STAT screen for the month of application, enter in the AU status field code “507” to close the MA AU.
- Complete “P” and “Q”. **Do not suppress the notices.**
- Narrate this action.

NOTE: If the caretaker relative decides to be a part of the MA case and the FAC coverage goes into a spenddown (F99), the MA will sprout to MCHP for the children. The financial responsibility code for the caretaker relative (HOH) should be “NM”.

EXCEPTION – Needy NON Parent

If the caretaker relative is an “RE” on the TCA case and elects for the child (ren) to be participants in the subsidized guardianship program, the following work around should be used to ensure that the caretaker continues to receive assistance.

If there is only one child on the TCA case, in Option “R” using the TCA AU number:

- On the UINC screen of the child you will enter as “OA” (other cash countable) \$143. This is the difference between the grant amount for two people and one person. (The grant amount for two is \$328. The grant amount for one person is \$185. The difference is \$143.) The verification would be “OT” and the frequency would be “AC”.
- Also on the UINC screen of the child, enter the subsidy amount as “ON” (other non-countable income).
- Fastpath to MISC. Put a “Y” in the calculate benefits field. Confirm the TCA AU. (The AU will be a household of two but the benefits paid will be for one. Also, the child will have medical assistance under the F01.)
- Narrate this action.

If there is more than one child in the TCA AU and the caretaker elects for them to participate in the subsidized guardianship program, complete the following procedure. **REMEMBER that one child has to remain active on the TCA AU to keep the AU active.**

- On the STAT screen for the TCA AU on the client level status beside each child (other than the first one), enter closing code “557”.
- On the UINC screen of the first child enter as “OA”(other cash countable) \$143. Also enter the subsidy amount as “ON”.
- On the UINC screen for the other children enter the subsidy amount as “ON”. Enter the verification and the frequency.
- Fastpath to MISC. Put a “Y” in the calculate benefits field. Confirm the TCA AU. (The AU will be a household of two but paying benefits for one.)
- Select Option “L” (Add A Program) from the AMEN screen using the TCA AU number.
- On the KIND screen put a “Y” beside the MA program.
- On the INCH screen place a “Y” beside the FAC (F05) coverage group.
- In Option “O” (Interview) complete all required information.
- On the AST screen for each child enter all assets if any.
- In Option “P” (Processing), on the STAT screen for the month of application enter closing code “555” on the client level status field for each child with the exception of the first child. This will prevent dual coverage for the current month in which TCA is received.
- Complete “P” and “Q”. Do not suppress the notice.
- Narrate this action.

NOTE: This work around outlined above must be completed the same day.

If the child is a part of the FS AU and is to remain in the FS AU

- Pend the appropriate MA coverage as previously mentioned.
- Enter the subsidy amount on the UINC screen of the child (ren) as “OF” (other food stamp countable income).
- Confirm the benefits.
- Narrate this action.

If the child will not remain a part of the FS AU

- Pend the appropriate MA coverage.
- On the STAT screen for the FS AU, enter reason code “557” on the client level status beside the child (ren) that is being removed from the FS AU.
- Confirm the benefits.
- Narrate this action.

INQUIRES:

Please direct policy questions to Cynthia Davis at (410) 767-7495 and system questions to Gina Roberts at (410) 238-1297.

cc: FIA Management Staff Help Desk
DHMH Management Staff CTF
Constituent Services Edith Saunders