



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

FIA ACTION TRANSMITTAL

Issuance Date: SEPTEMBER 3, 1996

Effective Date: October 1, 1996

Control Number: FIA/OPA 97-21

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

FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, FIA *Kevin Mahon*
LINDA HEISNER, EXECUTIVE DIRECTOR, CCA *Linda Heisner*
JOSEPH MILLSTONE, DIRECTOR, MCPH/DHMH *JM/mj*

**RE: FAMILY INVESTMENT PROGRAM (FIP) MEDICAL ASSISTANCE AND CHILD
 CARE EXTENSIONS**

PROGRAMS AFFECTED: PURCHASE OF CHILD CARE AND MEDICAL ASSISTANCE

**ORIGINATING OFFICE: OPA/ DIVISION OF PROGRAM POLICY AND
 REGULATION**

BACKGROUND INFORMATION:

The Family Investment Program (FIP) was passed by the Maryland General Assembly and is scheduled for full implementation by the end of 1996. DHR has received waivers for the Aid to Families with Dependent Children (AFDC) and the Food Stamp (Food Stamp) programs to support the components of FIP.

This action transmittal incorporates the FIP Medical Assistance and Child Care extension changes effective October 1, 1996.

The control group will continue to have eligibility determined under the existing Aid to Families with Dependent Children (AFDC) policies and procedures. The treatment and experimental group will use the new Family Investment Program (FIP) policies and procedures.

CURRENT MEDICAL ASSISTANCE EXTENSION POLICY:

If an AFDC assistance unit becomes ineligible for cash assistance because of increased earnings or hours of employment, the loss of the \$30 and 1/3 or \$30 earned income disregard, or the principal wage earner returned to work and the unit was eligible for an AFDC grant in at least 3 of the last 6 months immediately preceding AFDC ineligibility, Medical Assistance is extended for a maximum 12 month period (2 six month extensions).

The MA extension unit is required to file quarterly reports of gross earnings and child care expenses. Quarterly reports (DHR/IMA 747) are sent during the 3rd, 6th and 9th month of the extension and are due back the following month. If the extension unit fails to return the quarterly report without good cause or the earned income exceeds 185% of the federal poverty level, the unit is no longer eligible for the Medical Assistance extension. (Reference: COMAR 07.03.02.08D(3))

MEDICAL ASSISTANCE EXTENSION POLICY EFFECTIVE OCTOBER 1, 1996:

Effective October 1, 1996 all cases that lose eligibility because of overscale earned income and received TCA 3 of the last 6 months, except Control cases, will be eligible to receive extended Medical Assistance for 12 months without quarterly reporting or income testing requirements. If the assistance unit reports moving to a different state or that all eligible children have left the home, the case will close before the end of the 12 month period.

Cases, including Control cases, that close because of income other than earnings or child support collected, will continue to get the four month extension.

CURRENT PURCHASE OF CARE EXTENSION POLICY:

- An AFDC assistance unit that becomes ineligible for cash assistance because of:
 - increased earnings or hours of employment,
 - the loss of the earned income disregards, or
 - the principal wage earner returned to work, and
- The unit was eligible for an AFDC grant in at least 3 of the last 6 months immediately preceding AFDC ineligibility,
- The unit is eligible to receive Purchase of Child Care for 12 months, with a co-payment, subject to a month review and provided the earned income is within POC guidelines.

The assistance unit can begin to use extended child care at any time during the 12 month eligibility period.

PURCHASE OF CHILD CARE EXTENSION POLICY EFFECTIVE OCTOBER 1, 1996:

Effective October 1, 1996, extended child care will be available to the eligible FIP assistance unit for 12 months with a co-payment, provided income is within POC guidelines. The 6th month redetermination will not be required, but the assistance unit will be required to report any changes in the unit's situation, income, and employment within 10 days. The eligible FIP assistance unit is one that lost eligibility due to overscale earnings and received cash assistance 3 of the previous 6 months. The control group is also eligible for the extended benefits without a recertification at the 6th month period. The family can begin to use extended child care at any time during the 12 month eligibility period. The family can request reimbursement for out-of-pocket child care expenses with adequate documentation.

AIMS MA

Treatment and Experimental Group:

Do not send a quarterly report to the household. MA extensions resulting from increased earnings are certified for 12 months under category 02 scope 6. Child support extensions are given a 4 month certification under category 02 scope 9. Effective 10/1/96, no MA Extension labels will be produced for the Treatment or Experimental groups.

Control Group:

There are no changes in current case processing.

CARES MA

Treatment and Experimental Group:

No action is needed. Effective October 1, 1996, the six month income test and quarterly reporting requirements will not be applied to members of the Treatment and Experimental groups.

Control Group:

There are no changes in current case processing.

CCAMIS

Enter a redetermination date of up to one year on the application milestone screen, and issue a voucher for the same period of time. There are no other changes in current case processing.

ACTION REQUIRED OF: **All Local Departments**

ACTION DUE DATE: **October 1, 1996**

Direct inquiries to Kay Finegan or Sue Woolford, Division of Program Policy and Regulation, at (410) 767-7939 or 767-7190.

**cc: FIA Management Staff
Constituent Services**

Questions may be directed to Yvonne Wiley Batson at (410) 767-7733, Kay Finegan at (410) 767-7939, Annette Smith at (410) 767-7475, or Sue Woolford at (410) 767-7190 of the Division of Program Policy and Regulation; Ann Webster at (410) 767-7815 or Linda Zang at (410) 767-7813 of the Child Care Administration; and Christine Gerhardt at (410) 767-5406 of DHMH.

KM:JM:LH/as
a:fipccma.812

cc: FIA Management Staff
Child Care Administration
Constituent Services