



Department of Human Resources
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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**

**FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, FIA
CLIFFORD LAYMAN, EXECUTIVE DIRECTOR, CSEA
JOSEPH MILLSTONE, DIRECTOR, MCPA/DHMH**

RE: CHILD SUPPORT AND FRAUD SANCTIONS

**PROGRAM AFFECTED: TEMPORARY CASH ASSISTANCE
FOOD STAMPS
MEDICAL ASSISTANCE**

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

Background: The AFDC program sanctioned the caretaker relative for non-compliance with child support requirements. The children in the unit remained eligible for benefits. The caretaker relative was also sanctioned for an Intentional Program Violation (IPV) decision made by a court of law. The rest of the unit remained eligible for benefits.

New Policy: FIP has provisions for full-family sanctions for non-compliance with child support and for committing fraud as determined in a court of law. The family is not eligible for cash benefits until the sanction is cured.

When the cash case is closed due to sanction, Medical Assistance (MA) continues provided the assistance unit members are eligible for MA.

An IPV for cash assistance does not affect MA eligibility. The customer's eligibility for medical assistance must be redetermined based on the information and verification in the case record.

The caretaker who is not cooperating with child support is not eligible for MA, but the children are eligible.

Food Stamps are updated based on the household income plus TCA income prior to the sanction.

Action To Be Taken: Attached are the policies for the full-family sanction due to child support non-compliance or fraud as determined in a court of law. The policies are effective for all applications, redeterminations, or continuing cases at the first contact after October 1, 1996 as FIP requirements are discussed.

Applications are usually cleared through the computer systems before customers are interviewed to determine history for the assistance unit. Since the entire assistance unit is now closed for sanction and not just individuals removed, it is important to clear the individuals thoroughly and identify cases where the most recent closure carries a sanction case status reason. When a family reapplies for assistance, the family must meet compliance.

CHILD SUPPORT SANCTION

If a new applicant does not comply with the child support first provisions, the case is denied. If, after approval, the caretaker relative does not comply with the child support requirements, there is a full-family sanction for TCA. The sanction is applied until the caretaker complies with the program requirement. No mass change occurred for individuals currently sanctioned due to child support non-cooperation. The local department will review these cases using a procedure best suited to the jurisdiction. Most of the cases will be reviewed at the first redetermination after October 1. The caretaker who is currently sanctioned must be given another opportunity to comply.

Should a recipient not comply with the child support requirements, the case manager will investigate the reason for non-compliance. There is a mandatory 30 day period of time set aside for a conciliation process. The 30 days includes adverse action time. The sanction is effective the first of the month following the expiration of the adverse action period. The caretaker relative is not eligible for medical assistance, but the children do retain their eligibility.

If an individual begins to cure a sanction in the first non-pay month, the 14 day proration will not apply to the case. A full benefit will be authorized for the month in which compliance to cure the sanction has been completed. For example, an assistance unit which closed for failure to keep an appointment at the State's Attorney is not considered to have cured the sanction until an appointment is kept. If the individual agrees to see the State's Attorney in the first non-pay month, but an appointment is not available until the second month, the individual will get a full grant for the second month, but no benefits for the first month.

If a full month or more passes with no plan to cooperate, the application for benefits is treated the same as any other application and the case is prorated 14 days from the date of application. The payment is made after the required compliance is met.

PROCEDURES:

AIMS

Language has been added to AIMS to address the new sanctions, the language is as follows;

Child Support Sanction:

- 018 - Public Assistance (PA) suspended due to non-cooperation with child support**
- 088 - Public Assistance (PA) closed due to non-cooperation with child support**

AMF

In AMF, set up a category 6200 for medical assistance under the Family and Children's category (FAC). Establish a new 6 month certification period on the 8000 using a code 39 and scope 9.

CARES

Additional 500 series codes have been programmed into CARES to accommodate the new reasons for ineligibility. The new codes are as follows:

Child Support Sanction:

505 - Failed to cooperate with child support - TCA full family sanction for Temporary Cash Assistance

**FULL-FAMILY SANCTION PROVISION FOR FRAUD AS DETERMINED BY A
COURT OF LAW**

On October 1, assistance units who have a sanctioned member due to fraud will run the normal course of the sanction. Should future fraudulent acts occur after October 1, 1996, the first conviction shall be considered the first sanction.

After October 1, 1996, if a participant is convicted in a court of law of an Intentional Program Violation (IPV) there are full-family sanctions for TCA if the fraudulent act occurred after October 1, 1996. In the first instance, the sanction is applied for 6 months or until the caretaker cures the sanction through full repayment of the debt whichever occurs first. In the second instance, the sanction is applied for 12 months or until caretaker cures the sanction through full repayment of the debt whichever occurs first. In the third instance the sanction is permanent and there is no cure.

Should a recipient be convicted of Intentional Program Violation in a court of law, the sanction is effective the first of the month following the notice of the court's decision. All family members retain their eligibility for medical assistance.

If the fraudulent act occurred prior to October 1, 1996, but the conviction is after October 1, 1996, only the individual is sanctioned.

PROCEDURES:

AIMS

Language has been added to AIMS to address the new sanctions, the language is as follows;

Fraud Sanction:

- 019 - PA suspended due to program fraud
- 088 - PA closed due to program fraud

AMF

In AMF, set up a category 6200 for medical assistance under the Family and Children's category (FAC). Establish a new 6 month certification period on the 8000 using a code 39 and scope 9.

CARES

Additional 500 series codes have been programmed into CARES to accommodate the new reasons for ineligibility. The new codes are as follows:

Fraud Sanction:

Food Stamps:

- 516 - First Intentional Program Violation - 6 month individual disqualification
- 517 - Second Intentional Program Violation - 1 year individual disqualification
- 519 - Third Intentional Program Violation - Permanent individual disqualification

Temporary Cash Assistance

- 516 - First Intentional Program Violation - 6 month full family disqualification
- 517 - Second Intentional Program Violation - 1 year full family disqualification
- 519 - Third Intentional Program Violation - Permanent individual disqualification

Food Stamps

Enter the ineligible customer's countable net income plus the TCA income prior to the sanction on the UINC screen as (OF) other countable FS only, after all allowable deduction have been applied, (ie, child support deductions, medical deductions, dependent care deductions). This is called phantom income. Action Transmittal 97-20 explains when to use phantom income. Enter the ineligible customer's countable resources on the applicable AST1/AST2 screens. Enter remarks (PF9) behind the UINC and the AST1/AST2 to explain exactly what actions you are taking on the case.

Inquiries may be directed to Sue Woolford at (410) 767-7190 or Kay Finegan at (410) 767-7939
Division of Program Policy & Regulation.

cc: FIA Management
Constituent Services