



Department of Human Resources
311 West Saratoga Street
Baltimore MD 21201

FIA ACTION TRANSMITTAL

Control Number:

99-49

Effective Date: July 1, 1999

Issuance Date: June 4, 1999

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

FROM:

Robert J. Everhard
ROBERT J. EVERHARD, EXECUTIVE DIRECTOR

RE: EARNED INCOME FOR SCHOOL EMPLOYEES

PROGRAM AFFECTED: TEMPORARY CASH ASSISTANCE

ORIGINATING OFFICE: OFFICE OF POLICY, RESEARCH AND SYSTEMS

SUMMARY

School employees who are paid an hourly wage are not paid during the summer months when school is not in session. Salaried school employees have the option of having their yearly income paid over a period of 12 months or 10 months. For food stamps, hourly wage earnings are calculated as paid. Salaried school employees who receive food stamps have their earnings annualized regardless of whether they choose to be paid 10 or 12 months of the year.

Action Transmittal FIA/OPRS #99-38 provides local departments with policy and CARES procedures for calculating income and deductions for the Temporary Cash Assistance (TCA), Food Stamp and Medical Assistance Programs. The chart on page 2 of the action transmittal shows a policy overview and CARES calculations of earned and unearned income for TCA, food stamps and medical assistance (copy attached).

This action transmittal provides local departments with instructions for counting earned income of TCA applicants and recipients who are school employees. To continue the effort to match TCA and food stamp policy, salaried school employees' earnings are now annualized in both programs. There is no change in the calculation of hourly wages paid to school employees.

ACTION REQUIRED

Effective July 1, 1999, the earned income of school employees applying for or receiving TCA is counted as follows:

Hourly Wage School Employees

- School employees who are paid an hourly wage will have their earnings calculated according to the frequency paid. These employees are usually the cafeteria workers and crossing guards who apply for TCA during the summer months.

NOTE: Calculation of the earnings of these applicants or recipients does not change.

Salaried School Employees

- In the past, salaried school employees who chose to receive their annual pay for 10 months had their earnings counted for 10 months only. This meant that their earnings were not counted for TCA in the two months they were not paid.
- Beginning July 1, 1999, school employees who choose to receive their annual salary over a period of 10 or 12 months will have their earnings averaged over a period of 12 months (annualized). This matches the food stamp policy for counting salaried school employees.

Unemployment Insurance (UI) Benefits for School Employees

- School employees who do not work during the summer months **are not** eligible for unemployment benefits. If, however, their jobs are no longer available (reduction in work force, position discontinued, etc.) when school resumes in August or September, they can file for unemployment benefits at that time.

**SEE CARES PROCEDURES ON PAGE 4 OF THIS
ACTION TRANSMITTAL**

NARRATE ALL CASE ACTIVITY CAREFULLY:

Local departments must ensure that narration of case activity is clear, concise, and complete according to the action taken by the case manager. Good narration also supports the local department decision in the event of a fair hearing or selection of the case for Quality Control review.

RIGHT TO APPEAL

As a reminder, local departments shall advise households of their right to appeal a local department decision and the procedures for requesting a fair hearing. Local departments must also advise households of any legal services that might be available to represent them during a fair hearing. To find out the number of their local Legal Aid office, customers may call Legal Aid's toll-free number, 1.800.999.8904.

ACTION DUE

Effective for applications taken and redeterminations completed on or after July 1, 1999.

INQUIRIES

Please direct policy questions to Edna McAbier at 410.767.8805, Bureau of Policy and Training. Direct systems questions to Sarah Haygood at 410.767.8592, Bureau of Systems Development, Management and Testing.

c: FIA Management Staff
Constituent Services
OIM Help Desk
CTF

CARES PROCEDURES (FOR EARNED INCOME OF SCHOOL EMPLOYEES)

➤ Hourly Wage School Employees

There is no change to the CARES procedures for these applicants or recipients.

➤ Salaried School Employees

Enter earnings for these applicants and recipients on CARES as follows:

□ On the ERN1 screen, enter:

- The name of the place of employment or self-employment business in the **EMPLOYER NAME** field. Complete the address and phone information for the self-employed business.
- EI for regular earnings in the **TYPE** field.
- The date the customer began employment in the **BEGIN DATE** field.
- Y or N (if the case is active) in the **LATE REPORT** field to indicate whether the customer was late in reporting his/her employment.

Press **ENTER** for the ERN2 screen.

□ On the ERN2 screen enter:

- The annual income (drop cents) in the **AMT** field
- The number of hours worked monthly in the **HRS** field.
- The type of verification used in the **V** field.
- **AN** in the **FREQ** field.

CARES will divide the annual earnings by 52 and multiply by 4 to calculate the customer's monthly earnings.

NARRATE how earnings were entered by pressing PF21 from the ADDR screen.

ACTION TRANSMITTAL FIA/OPRS # 99-38 EFFECTIVE APRIL 1, 1999

OLD POLICY

A 4-week conversion factor was used to convert all earned income to a monthly amount for TCA and the Food Stamp Program. A 4.3 conversion factor was used for Medical Assistance.

NEW POLICY FOR FOOD STAMPS

The 4-week conversion factor for earned income applies to weekly and biweekly income only. Use actual income received for earnings received semi-monthly (twice a month), monthly, annually, etc.

NEW POLICY FOR MEDICAL ASSISTANCE

Medical Assistance will use the 4 week conversion factor consistent with TCA methodology.

POLICY OVERVIEW FOR CONVERTING FOOD STAMP, TCA, AND MA INCOME TO A MONTHLY AMOUNT

If the INCOME TYPE is:	And the FREQUENCY is:	For the FOOD STAMP PROGRAM CARES will:	For TEMPORARY CASH ASSISTANCE and MEDICAL ASSISTANCE CARES will:
Earned			
	Weekly	Multiply weekly pay by 4	Multiply weekly pay by 4
	Biweekly	Multiply biweekly pay by 2	Multiply biweekly pay by 2
	Twice a month (Semimonthly)	Add together the two semimonthly pays	Divide total semimonthly pay by 4.3, and multiply by 4.
	Monthly	Use the actual amount	Divide the monthly amount by 4.3 and multiply by 4
	Annual	Divide the annual amount by 12	Divide the amount by 52 and multiply by 4.
Unearned			
	Weekly	Multiply weekly benefit by 4	Multiply weekly benefit by 4
	Biweekly	Multiply biweekly benefit by 2	Multiply biweekly benefit by 2
	Monthly	Use the actual amount	Use the actual amount
	Annual	Divide the annual amount by 12	Divide the annual amount by 12