



FAMILY INDEPENDENCE ADMINISTRATION

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POLICY DIRECTIVE #07-16-ELI

(This Policy Directive Replaces PD # 06-18-ELI)

CHANGES IN THE EARNED INCOME DISREGARD AND PUBLIC ASSISTANCE POVERTY LEVEL TEST FOR 2007

| Date: | Subtopic(s): |
|---------------------------------------|---|
| May 31, 2007 | Public Assistance Budgeting |
| AUDIENCE | This policy directive is for all staff in the Job Centers and FIA Employment Support Program. It is informational for all others. |
| REVISION TO ORIGINAL DIRECTIVE | <p>This policy directive has been revised to reflect the:</p> <ul style="list-style-type: none">• new earned income disregard• new semimonthly limits in the 2007 Public Assistance (PA) Poverty Level Guidelines• changes to the Guide to Budgeting (W-203K), Public Assistance Budget Computation form (W-648), and Income Contribution Worksheet for Families in Temporary Housing (W-648D) |
| POLICY | <p>Social Services Law (SSL) Section 131-a (8)(a)(iii) requires that annually on June 1, the PA earned income disregard (EID) be adjusted up or down to reflect the change in the most recently issued poverty level guidelines of the United States Census Bureau.</p> <p>The EID is applicable to all Family Assistance (FA) households and all Safety Net (SN) households that include at least one child who is applying for or receiving Safety Net Assistance (SNA) or Supplemental Security Income (SSI). Effective June 1, 2007, the EID will increase from 47 percent to 48 percent.</p> |
| Revised information | |

HAVE QUESTIONS ABOUT THIS PROCEDURE?
Call 718-557-1313 then press 2 at the prompt followed by 765 or
send an e-mail to *FIA Call Center*

Distribution: X

In addition, the amounts used for the PA Poverty Level Guidelines will also change. The gross earned and unearned income of PA applicants and participants cannot exceed the 2007 Federal Poverty Guidelines as published in the Federal Register. This change impacts budgets with an effective date of 6/1/07 or later.

The PA Poverty Level Test applies to all PA households except those residing temporarily in hotels/motels, homeless shelters, domestic violence shelters, Acquired Immune Deficiency Syndrome (AIDS) housing and congregate care facilities.

REQUIRED ACTION

Before the earned income disregard can be applied, the following financial eligibility tests must be conducted:

- **Gross Income Test** – The semimonthly gross income is compared to 185 percent of the semimonthly standard of need for the household size. If the gross income exceeds 185 percent of the standard of need, the household is ineligible for cash assistance.
- **PA Poverty Guideline Test** – If the household's gross income does not exceed 185 percent of the standard of need, the semimonthly gross income is compared to the current year semimonthly poverty guidelines limit for the household size (see chart on page 3 of this directive). If the gross income exceeds the poverty guideline, the household is ineligible for cash assistance.
- **Net Income Test** – If the household's gross income does not exceed the PA poverty guidelines limit for the household size, the Net Income Test is conducted. At that point the earned income disregard is applied as follows:

Applying the Earned Income Disregard

- If the family or individual has an active PA case or is reapplying on a case that has been closed four months or less, a budget including the income disregard is calculated to determine the household's budget deficit, if any.

Note: The earned income disregard is not granted for any period of time in which the earned income is not reported within 10 days of receipt or is concealed.

- If the family or individual is applying for the first time or reapplying on a case that has been closed for more than four months, financial eligibility must be determined prior to the application of the earned income disregard. If without the disregard there is a budget deficit, the earned income disregard is then applied to determine the household's semimonthly grant.

When calculating a budget in WMS, the Automated Budgeting and Eligibility Logic (ABEL) system automatically performs all three financial eligibility tests.

Revised forms

The **W-648** and **W-648D** have been revised to reflect the 2007 Poverty Level Guidelines (shown below) and the increase in the income disregards. They also include From/To fields for recording the authorization period above the Worker's Signature line.

Chart represents 100% of Federal Poverty Level

Revised information

| 2007 PA Poverty Level Guidelines | |
|--|-------------------|
| Size of Family Unit | Semimonthly Limit |
| 1 | \$425.42 |
| 2 | \$570.42 |
| 3 | \$715.15 |
| 4 | \$860.42 |
| 5 | \$1,005.42 |
| 6 | \$1,150.42 |
| 7 | \$1,295.42 |
| 8 | \$1,440.42 |
| For each additional person add \$145.00 semimonthly. | |

The **W-203K** has also been revised to reflect the increase in the earned income disregard. Location heads must ensure that all previous versions of the **W-203K**, **W-648**, and **W-648D** are removed from circulation and recycled.

As part of the implementation of the changes in the EID and PA Poverty Guidelines, the following took place:

The unique authorization number for this MRB is **99999343**.

A mass rebudgeting (MRB) of active PA/FS cases (i.e., in active [AC] or single issue [SI] status) with earned income took place on the weekend of May 19–20, 2007. The Office of Temporary and Disability Assistance (OTDA) will send the appropriate Client Notice System (CNS) notices to all cases included in the mass rebudgeting. Please refer to Attachments **A** and **B** for sample notices.

Note: Multisuffix cases are excluded from the MRB process.

- As part of the mass rebudgeting process, all stored budgets, including FIA-3a budgets, affected by these changes have been rebudgeted. The effective date for these budgets is 6/1/07.
- On May 21, 2007, the 48 percent EID and revised PA Poverty Level Guidelines was made available for all budgets calculated with a budget effective date of 6/1/07, or later. Budgets calculated with a budget effective date prior to June 2007 will continue to use current amounts.

PROGRAM IMPLICATIONS

Model Center Implications

There are no Model Office implications.

Paperless Office System (POS) Implications

There are no POS implications.

Food Stamp Implications

As a result of this change, some PA/FS participants may receive an increase in their cash assistance grant. This increase is budgetable for FS purposes and may result in a decrease in the household's FS benefits.

Medicaid Implications

Cases that lose PA eligibility due to increased income should be referred for a separate Medicaid determination. For PA cases closed due to the increase of the EID, Workers must use closing code **E30**, Excess Income (No Transitional Medicaid). Use of this code will prompt a separate Medicaid determination.

LIMITED ENGLISH SPEAKING ABILITY (LESA) AND HEARING- IMPAIRED IMPLICATIONS

For Limited English Speaking Ability (LESA) and hearing-impaired applicants/participants, make sure to obtain appropriate interpreter services in accordance with PD #06-12-OPE and PD #06-13-OPE.

FAIR HEARING IMPLICATIONS

Avoidance/ Resolution

Ensure that all case actions are processed in accordance with current procedures and that electronic case files are kept up to date. Remember that applicants/participants must receive either adequate or timely and adequate notification of all actions taken on their case.

Conferences

An applicant/participant can request and receive a conference with a Fair Hearing and Conference (FH&C) AJOS/Supervisor I at any time. If an applicant/participant comes to the Job Center requesting a conference, the Receptionist must alert the FH&C Unit that the individual is waiting to be seen. In Model Offices, the Receptionist at Main Reception will issue an FH&C ticket to the applicant/participant to route him/her to the FH&C Unit and does not need to verbally alert the FH&C Unit staff.

The FH&C AJOS/Supervisor I will listen to and evaluate any material presented by the applicant/participant, review the case file and discuss the issue(s) with the JOS/Worker responsible for the case and/or the JOS/Worker's Supervisor. The AJOS/Supervisor I will explain the reason for the Agency's action(s) to the applicant/participant.

Should the applicant/participant elect to continue his/her appeal by requesting a Fair Hearing or proceeding to a hearing already requested, the FH&C AJOS/Supervisor I is responsible for ensuring that further appeal is properly controlled and that appropriate follow-up action is taken in all phases of the Fair Hearing process.

Evidence Packets All Evidence Packets must contain a detailed history (e.g., copies of POS "Case Comments" and/or NYCWAY "Case Notes" screens, History Sheet [W-25]), copies of relevant WMS screen printouts, notices sent and other documentation relevant to the action taken.

REFERENCES

07-ADM-02
GIS 07 TA/DC003
SPP 2007-00060-00
SSL Section 131-a (8)(a)(iii)

ATTACHMENTS

☒ Please use Print on Demand to obtain copies of forms.

| | |
|---------------------|--|
| Attachment A | Sample State Client Notice System (CNS) Notice of Decision on Your Public Assistance, Food Stamps and Medical Assistance |
| Attachment B | Sample State Client Notice System (CNS) Notice of Decision on Your Public Assistance, Food Stamps and Medical Assistance (Spanish) |
| W-203K | Guide to Budgeting (Rev. 5/31/07) |
| W-648 | Public Assistance Budget Computation (Rev. 5/31/07) |
| W-648 (S) | Public Assistance Budget Computation (Spanish) (Rev. 5/31/07) |
| W-648D | Income Contribution Worksheet for Families in Temporary Housing (Rev. 5/31/07) |
| W-648D (S) | Income Contribution Worksheet for Families in Temporary Housing (Spanish) (Rev. 5/31/07) |