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 | ADMINISTRATIVE DIRECTIVE |  
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TRANSMITTAL: 92 ADM-37

TO: Commissioners of  
 Social Services

DIVISION: Income  
 Maintenance

DATE: September 16, 1992

SUBJECT: Home Relief (HR) Plan of Self-Support

SUGGESTED

DISTRIBUTION: Public Assistance Staff  
 Employment Staff  
 Food Stamp Staff  
 Medical Assistance Staff  
 Staff Development Coordinators

CONTACT

PERSON: Call 1-800-342-3715 and ask for:  
  
 Income Support: Charles Giambalvo, extension 4-3231  
 Employment: Technical Advisor, extension 3-8744  
 Food Stamps: County Representative, extension 4-9225  
 Medical Assistance: County Representative,  
 extension 3-7581  
 In New York City, (212) 587-4853

ATTACHMENTS: None

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
	89 ADM-33	352.20(g)	SSL 165	PASB Section XVI-F-4&5 FSSB Sections XII-B-all XVI-A-all EM Section E-21	

I. PURPOSE

This directive informs social services districts of the change in Department Regulation 352.20(g) that permits the establishment of a Home Relief (HR) Plan of Self-Support and how this change affects work opportunities for HR recipients. Districts are not mandated to provide such plans. As used in this ADM the term HR includes PG-ADC.

II. BACKGROUND

Section 165 of the Social Services Law directs the Commissioner to promulgate rules and regulations which permit the disregard of earned income for HR recipients where such an arrangement would "lead to the elimination of the recipient from relief rolls in a reasonable length of time".

Department Regulation 352.20(g) had permitted a social services district to disregard \$30 or \$30 + 1/3 of a HR recipient's earned income if a social services official approved a written plan for self support for the HR recipient. It was brought to our attention by social services districts that 352.20(g) was insufficient in some instances to encourage HR recipients to obtain employment and become long term self-supporting.

III. PROGRAM IMPLICATIONS

This amendment will provide an incentive for HR recipients to become employed and will also allow for increased disposable income for those employed HR individuals with a plan of self-support.

IV. REQUIRED ACTION

A. Public Assistance

Social services districts may, on a selective basis, offer HR plans of self-support to HR recipients. For example, a mechanic who needs tools and equipment may benefit from a plan of self-support which may help that individual secure the tools and equipment. A plan of self-support may enable an individual to save money towards the purchase of a car for transportation to and from work.

A HR plan of self-support allows a social services district to disregard all or a portion of a HR applicant/recipient's earned income and/or resources when the social services district determines that the disregards will lead to the elimination of the recipient from the Home Relief rolls in a reasonable length of time. Districts may place very specific restrictions, or

adjust the amounts exempted, to meet objectives that they set. "Reasonable length of time" means that the district would expect the individual to leave assistance sooner or stay off assistance longer with the disregard than without it. In any event, the approved disregard can last no longer than one year.

NOTE: If the entire earned income is to be disregarded, it should not be entered on ABEL; or if a portion is to be disregarded, that portion should be subtracted from total income and only the remainder entered on ABEL. Monthly reporting should be used to keep track of the income.

When an approved HR plan of self-support is in effect, the amount of the earned income and/or resources disregarded in conformance with a plan of self-support must not be considered in determining the amount of income and resources available to the recipient. Interest accrued from a plan of self-support is also exempt.

The development of plans of self-support and their specific contents and duration are left to the discretion of the social services official. Districts are not required to submit procedures for Department approval.

For individual plans of self-support, the case record should contain documentation along the following lines in order to establish the disregards for audit purposes:

1. Approval by an appropriate social services district official.
2. Detail of plan duration with beginning and projected end dates and list a definite goal and means of attaining this goal (e.g., to be in effect up to 1 year to allow a recipient to set aside earned income for the purchase of an automobile for transportation to and from work).
3. Detail of the amount of the earned income to be disregarded.

If a recipient fails to comply with the plan (e.g. stops depositing agreed amounts into a savings account) the district must end the plan by sending an appropriate notice. If a recipient uses accumulated funds inappropriately, the funds must be recouped or recovered as an overpayment.

B. Food Stamps

The amount of the income and/or resources disregarded in conformance with the HR Plan of self support may not be excluded as income or resources for food stamps.

C. MA Implications

Districts that decide to offer plans of self support to their HR cash recipients must also offer it to their MA-only HR-related recipients. Procedures that local districts develop for HR plans of self support should include a statement that the procedures also apply to HR-related MA-only recipients.

HR MA-only self support plans may disregard all or a portion of a HR-related recipient's earned income and/or resources when the district determines that the disregards will lead to the elimination of the recipient's need for future assistance in a reasonable length time as defined in Section IV.A.

The amount of income or resources disregarded is not counted in determining on-going eligibility. Any interest accrued on funds placed in a special account for a self support plan is also exempt. If the district ends the plan because the recipient fails to comply with the terms of the self support plan, the recipient's eligibility should be redetermined using all available income and resources. A determination should be made as to whether MA was incorrectly paid at the time the funds in recipients self support account were used for a purpose other than that specified by the plan.

NOTE: When budgeting MA-only HR-related cases (BT 02) with an approved HR plan of self support, workers should not enter on MBL the amount of earned income and/or resources disregarded in accordance with policy outlined in this ADM.

V. SYSTEMS IMPLICATIONS

Upstate

When budgeting PA/FS cases with an approved HR plan of self-support, workers must remember to enter, on the FS budget, income sources and/or amounts excluded from the PA budget.

VI. EFFECTIVE DATE

October 1, 1992 retroactive to August 5, 1992.

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Oscar R. Best, Jr.  
Deputy Commissioner  
Division of Income Maintenance