NEW YORK STATE
OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE
40 NORTH PEARL STREET
ALBANY, NY 12243-0001

David A. Paterson
Governor

Administrative Directive

Section 1

Transmittal:	10-ADM-04
To:	Local District Commissioners
Issuing Division/Office:	Center for Child Well-Being (CCWB)/Division of Child Support Enforcement Center for Employment and Economic Supports (CEES)
Date:	June 18, 2010
Subject:	Increase in the Pass-through and Disregard of Support Payments – Phase II
Suggested Distribution:	Child Support Enforcement Coordinators Support Collection Unit Supervisors Temporary Assistance Directors Employment Coordinators Staff Development Coordinators Accounting Staff Resource and Recovery Staff Food Stamp Directors Medicaid Directors Foster Care Supervisors Child Care Unit Supervisors IV-D Attorneys DSS Attorneys
Contact Person(s):	Division of Child Support Enforcement at 1-800-343-8859 Temporary Assistance Bureau at 1-800-343-8859, extension 4-9344 Office of Legal Affairs – Susanne H. Dolin (518) 474-9502 Fiscal: Regions 1-4: Edward Conway 1-800-343-8859 ext. 4-7549 or (518) 474-7549 Edward.Conway@otda.state.ny.us Region 5: Michael Borenstein (212) 961-8251 Michael.Borenstein@otda.state.ny.us Region 6: Marian Borenstein (212) 961-8250

	Marian.Borenstein@otda.state.ny.us
Attachments:	Attachment 1: Manual Child Support Pass-Through Payment Determination Worksheet Attachment 2: Examples for Determining the Amount of Pass-Through/Disregard Provided to Temporary Assistance Families Effective January 1, 2010 Attachment 3: LDSS-3677, Report of Support Collected Attachment 4: LDSS-3677-SP, Report of Support Collected Attachment 5: LDSS- 3677 NYC, Report of Support Collected Attachment 6 LDSS- 3677 NYC SP, Report of Support Collected Attachment 7 LDSS-4279, Notice of Responsibilities and Rights for Support Attachment 8: LDSS-4279 SP, Notice of Responsibilities and Rights for Support Attachment 9: LDSS-3908, Important Notice Regarding Child Support to Persons Applying for or Receiving Temporary Assistance or Foster Care Maintenance Payments Under Title IV-E Attachment 10: LDSS-3908-SP, Important Notice Regarding Child Support to Persons Applying for or Receiving Temporary Assistance or Foster Care Maintenance Payments Under Title IV-E
Attachment Available On – Line:	☒

Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
92- ADM-40 99-ADM-5 06-ADM-16 08-ADM-08 09-ADM-04 09-ADM-11 09-ADM-21 10-ADM-01 00-INF-2		18 NYCRR 347.12; 347.13; 347.25; 352.15; 352.15(b); 352.15(d); 352.22(t); 352.31(a)(4); 352.31(v); 369; 370; 387.10; 387.11	SSL 111-c (2)(d); SSL 131-a (8)(a)(v) SSL 336-c	ABEL Manual Food Stamp Source Book (FSSB) Temporary Assistance Source Book (TASB) Fiscal Reference Manual, Volumes 2, 3, and 4 PICS Manual TA and FS Employment Policy Manual	Schedule D-8 Dear TA Director Letter dated November 17, 2005 Dear TA Director Letter dated January 4, 2006 GIS 06 TA/DC024 dated July 10, 2006 GIS 09 TA/DC017 dated July 7, 2009 GIS 09 TA/DC030 dated October 21, 2009 GIS 09TA/WMS038 dated December 23, 2009 Dear Colleague

					Letter dated June 15, 1990
					Dear Colleague Letter dated August 6, 1992
					Dear Colleague Letter dated October 26, 1993
					Dear Colleague Letter dated April 22, 2008
					Child Support Enforcement "Continuation of Services Notice"
					ABEL Transmittal 09-5 dated October 8, 2009
					ABEL Transmittal 10-1 dated January 5, 2010

Section 2

I.   Summary

This Administrative Directive (ADM) advises local Support Collection Units (SCUs) and Social Services Districts (SSDs) of the implementation of Phase II of legislation which increased the pass-through payment and disregard amount from $100.00 to $200.00 effective January 1, 2010, for Temporary Assistance (TA) families with two or more children. This ADM also advises SSDs of the TA budgeting changes which must be applied to spousal support income in conjunction with the new pass-through payment and disregard policy.

Information regarding the impact of the Phase II changes upon various program areas, including Child Support, TA, Food Stamps, and Medicaid (MA) is provided. Additionally, official notices, publications, and financial reporting changes, all impacted by the changes to how a pass-through payment and disregard amount will be determined, and increases in the maximum monthly amount of the pass-through and the disregard amount for a TA household with two or more children, are addressed in this ADM.

II.   Purpose

The purpose of this ADM is to advise SCU and SSD staff of changes in the pass-through payment and disregard amount which became effective January 1, 2010, and to provide specific information regarding the impact of the change upon each program area. Changes discussed in this ADM include the (1) method by which a pass-through payment and disregard amount is determined for a TA family; (2) an increase in the amount of current support collected each month that may be passed through and disregarded for purposes of determining the eligibility for assistance; and (3) discontinuance of pass-through and disregard amounts associated with spousal support.

III.   Background

The Federal Deficit Reduction Act (DRA) of 2005 contains an optional provision under which states may pass through an amount up to the first $100.00 of current support collected per month for families with one child and up to the first $200.00 of current support collected per month for families with two or more children to current-assistance families without paying to the Federal government the federal share of the amounts passed through, as long as both the federal and state share of the pass-through is paid to the family and is disregarded in determining the amount of assistance provided to the family. As discussed in 08-ADM-08, dated October 29, 2008, and entitled *Increase in the Pass-through and Disregard of Support Payments*, Social Services Law §§111-c(2)(d) and 131-a(8)(a)(v) were amended by Part Z of Chapter 57 of the Laws of 2008 to take advantage of this optional provision within the DRA. These statutory amendments reflect the respective increases to the amount of the pass-through and the amount of income disregarded for purposes of determining the standard of need and assistance provided through the TA programs, including Family Assistance (FA) and Safety Net Assistance (SNA).

As stated in 08-ADM-08, the legislation provided for implementation of the pass-through and disregard option in two phases. Phase I, which was implemented October 1, 2008, systematically increased the amount of pass-through and disregard to an amount up to the first $100.00 of current support collected each month by the child support enforcement program, or up to the current support obligation collected each month, whichever is less. In Phase II, an amount up to the first $100.00 in current support collected each month will continue to be passed through and disregarded for TA households with one child, but the pass-through payment and disregard amount will increase to an amount up to the first $200.00 per month of current support collected each month for TA households with two or more children, or up to the current support obligation collected, whichever is less. Phase II became effective January 1, 2010. This ADM provides detailed information relating to Phase II of the implementation.

Pass-through means an assigned support collection applied to current support that the State elects to pay to a family on assistance rather than retain to reimburse assistance granted. ***Current support*** means, with respect to amounts collected as support on behalf of a family, the amount designated as the monthly support obligation of the noncustodial parent in the order requiring the support or as calculated by the State based on the order. The TA program meets the child support pass through requirement by issuing Payment Type Codes "D1" (*IV-D Payment*) for Rest of State (ROS), or "54" (*Child Support Bonus Payment - Manual Issuance*) and "70" (*Child Support Bonus Payment - System Generated*) for New York City (NYC) in TA households where

the support is collected and retained by the SSD, or by issuing Payment Type Code "18" (*Child Support Disregard*) in ROS for TA households who receive direct support.

The ***disregard*** is an amount of child support income received by a family equivalent to the pass-through payment that is not considered by the TA program for the purposes of determining eligibility for and the amount of assistance from the State that is provided to the family. When determining eligibility for TA, current support must be budgeted as if the TA household received direct support. TA meets the child support disregard requirement by disregarding up to the first $100.00 or $200.00 of current support as countable income.

For the purposes of determining the pass-through and disregard amount of child or combined child and spousal support collections, ***TA household*** means the TA case (referred to for child support purposes as the TA-CAN); *family* means members of the TA household included on the TA case; and ***child(ren)*** mean(s) any individual under the age of twenty-one who is an active member of the TA case, including those individuals subject to a pro rata or IV-D sanction.

IV.   Program Implications

A.   <u>Child Support Enforcement</u>

The Child Support Management System (CSMS) monthly disregard process has been revised. CSMS will no longer determine the potential pass-through amounts on behalf of TA. CSMS will instead provide the TA program with the monthly current support collections, which include child or combined child and spousal support, and the total monthly support obligation for all accounts associated with the TA-CAN on the CSMS month end disregard data file. Additionally, where current support collections are receipted in the two prior months but not processed until the current month, CSMS will provide the TA program with those additional monthly current support collections to apply towards that prior month to determine whether the TA household is entitled to additional pass-through payments. The TA program will use the information in the IV-D Payment Mass Reauthorization (MRB/A) process to systematically determine the amount of pass-through which a TA household is entitled to receive.

As a result of the CSMS disregard process changes, the *Disregard Informational Lists* discussed in the *Dear Colleague* Letters dated June 15, 1990, August 6, 1992, and October 26, 1993, only now includes a section entitled *$100 Disregard-Accounts with Negative 71 or 72 Payments*. All other sections of the report have been discontinued.

Additionally, as discussed in the Temporary Assistance Source Book (TASB), upon completion of the monthly IV-D MRB/A process which authorizes pass-through payments, WMS produces the *IV-D MRB/A Eligible and Exception* lists. Cases that appear on the *IV-D MRB/A Exception* list will be sorted by **<u>unit</u>**. The SSD's TA unit (hereafter referred to as "TA unit") is responsible to resolve all exceptions on the list <u>except</u> those that appear on the exception list with *IV-D* listed as the unit (hereinafter referred to as the *MRB/A IV-D Exception* list). Any exceptions that appear on the *MRB/A IV-D Exception* list must be reviewed by the SCU.

Finally, changes related to the pass-through payment amounts and to procedures for the desk review, including forms, worksheets, instructions and letters, will be provided under a separate ADM.

B. **IV-D MRB/A Process**

The IV-D MRB/A process is a monthly automated process which determines, authorizes, and issues IV-D pass-through payments to eligible TA households and re-budgets affected Food Stamp cases due to IV-D Payment income.

Cases which are categorized as "eligible" for an automated pass-through payment are reported on the *IV-D MRB/A Eligible* list and the pass-through payment will be issued systematically during the IV-D MRB/A monthly process. Any cases where a IV-D payment cannot be determined and/or authorized systematically will appear on the *IV-D MRB/A Exception* list which requires manual review and actions.

The IV-D MRB/A process uses monthly current support collection data supplied by the CSMS monthly disregard file to systematically authorize IV-D pass-through payments to TA households for any one specific support month.

The IV-D MRB/A process categorizes cases as:

- Eligible for an automated IV-D payment (These cases will be placed on the *IV-D MRB/A Eligible* list [WIV5CI]); or
- An exception when the case or budget information is unacceptable for automated action. (These cases will be placed on the *IV-D MRB/A Exception* list [WIV5CX]). For the various exception reasons that may appear on the *IV-D MRB/A Exception* lists, please refer to the Automated Budgeting and Eligibility Logic (ABEL) Manual available on CentraPort under *Resources.*

Cases that appear on the *IV-D MRB/A Exception* list will be sorted by **unit**. Any exceptions that appear on the *MRB/A IV-D Exception* list must be reviewed by the SCU. If the SCU identifies a case that is eligible for a pass-through payment, as provided in Section IV(A) above, the SCU must provide the TA unit with the information required on the *Manual Child Support Pass-Through Payment Determination Worksheet* (**Attachment 1**) and the TA unit will complete the determination as to the appropriate pass-through payment amount and take any other actions necessary. All other exceptions on the *IV-D MRB/A Exception* list are to be resolved by the TA unit.

Unlike the *IV-D MRB/A Eligible* list, the *IV-D MRB/A Exception* list does not report Food Stamp amounts because the Food Stamp portion of the case has not been re-budgeted by the IV-D MRB/A process. TA units must resolve the exceptions and take necessary Food Stamp re-budgeting and/or reauthorization action.

Printed *IV-D MRB/A Eligible and Exception* lists are transmitted through the Benefit Issuance and Control System (BICS) each month. In addition, the *IV-D MRB/A Eligible and Exception* lists results are available on WMS through the *IV-D Inquiry* selection on the ABEL menu. The lists are in the same format regardless of the medium chosen for

display. TA units should print the *IV-D MRB/A Eligible and Exception* lists and retain a copy for historical reference.

For more information on the *IV-D MRB/A Eligible and Exception* lists, refer to the ABEL manual, *Section I – Mass Rebudgeting,* pp. 129-148.

C.   **Manual Child Support Pass-Through Payment Determination Worksheet for ROS**

The *Manual Child Support Pass-Through Payment Determination Worksheet* (**Attachment 1**) is a worksheet that must be completed for TA cases where the pass-through payment determined through the monthly IV-D MRB/A process may require adjustments. The *Manual Child Support Pass-Through Payment Determination Worksheet* is an intra-departmental worksheet which must be completed by the SCU and the TA unit. Part A of the worksheet is required to be completed by the SCU; Part B of the worksheet is required to be completed by the TA unit.

The worksheet will allow TA units to identify TA cases where (1) the household is due an additional pass-through payment amount for a given month or (2) a pass-through payment was issued incorrectly for a given month, requiring establishment of an overpayment. All follow up activities determined as a result of completing the worksheet are required to be resolved within thirty (30) calendar days of the completion of the worksheet, unless the case is indentified as appearing on the *MRB/A IV-D Exception* list. Cases identified as appearing on the *MRB/A IV-D Exception* list must be resolved by the twentieth (20th) calendar day of the month in which the list was received.

D.   **Examples for Determining the Pass-Through/Disregard Amounts**

To assist local districts in determining the appropriate amount of pass-through a family may be entitled to receive, *Examples for Determining the Amount of Pass-Through/Disregard Provided to Temporary Assistance Families Effective January 1, 2010* (**Attachment 2**) provides a variety of family situations encountered by TA units. The case situations are established to identify the source of collections received and how those collections are applied by the TA unit in determining the appropriate amount of pass-through and/or disregard the family is entitled to after January 1, 2010.

E.   **Temporary Assistance**

The changes in determining the pass-through and disregard amount will provide an increase in the distribution of current support collections to TA families, and will increase the amount of current child support collections that will be disregarded when determining eligibility and the standard of need.

Categories of Support: For TA budgeting purposes there are two categories of support:

1. Court ordered support; and
2. Voluntary support.

Any support collected by or on behalf of a TA applicant/recipient will be considered *court-ordered* support when there is an order of support issued by a court requiring the noncustodial parent (NCP) to pay such support.

Any support collected by a TA applicant/recipient is considered to be *voluntary support* when there is no order of support issued by a court requiring the NCP to pay such support.

Types of Support: For TA budgeting purposes there are three types of support income:

1. Child Support, which represents support income from a noncustodial parent (NCP) on behalf of a child;
2. Spousal Support, which represents support income from a former spouse for the TA applicant/recipient; and
3. Combined Child and Spousal Support, which represents support income from an NCP on behalf of both a child and a custodial parent.

Budgeting Child or Combined Child and Spousal Support Income (Direct Support versus Assigned Support): Child or combined child and spousal support income is entered in the TA ABEL budget based on how the support is received by the applicant/recipient.

Child or combined child and spousal support income received by an applicant/recipient as a result of (1) voluntary support; (2) court-ordered support made payable directly to the applicant/recipient; or (3) court-ordered support made payable through the SCU, is known as *direct support* and must be budgeted using unearned income source code "06" (*Child Support Payment)* in ROS or code *"14" (Court Ordered Alimony, Spousal Support, Child Support Payment)* in NYC. TA <u>applicants</u> receiving child or combined child and spousal support income in the household will always be in receipt of direct support at the time of application.

Child or combined child and spousal support income collected by the child support enforcement program and retained by the TA unit on behalf of a TA <u>recipient</u> is known as *assigned support* and must be budgeted using unearned income source code "13" (*Child/Spousal Assigned to Agency)* in ROS, or code "61" (*Alimony/Spousal/Child Support Assigned to the Agency)* in NYC. For both ROS and NYC, *assigned support* must equal the court-ordered obligation amount when entered in the ABEL budget.

Change in Child or Combined Child and Spousal Support Disregard Amount: Effective January 1, 2010, the first $100.00 per month of current child or combined child and spousal support income (including support payments collected and paid to the family by the child support enforcement program) received directly by households applying for or receiving TA with one active child on the TA case must be disregarded in the determination of eligibility or standard of need.

Households applying for or receiving TA with two or more active children on the TA case must receive a disregard of the first $200.00 per month of current child or combined child and spousal support received when determining TA eligibility or standard of need.

Note: For the purposes of determining the appropriate pass-through payment and disregard amount, a child is defined as any individual under the age of twenty-one who is an active member of the TA case, including those individuals subject to a pro rata or IV-D sanction. Additionally, essential persons (EPs) and heads of household who are under the age of twenty-one and on the TA case must be considered as a child for the purposes of determining the number of children in the TA household.

Cases which include both direct and assigned support in the TA budget are entitled to only one disregard of up to $100.00 or $200.00 based upon the number of children in the TA household. For these cases, the TA unit must use the appropriate IV-D indicator code of "X" on Screen 1 of the Welfare Management System (WMS).

Child support income received directly by the household must be included in the TA budget until the child support enforcement program is able to accept and account for the support. The SCU will notify the TA unit when such support collections have been established and directed to the SSD by completing the LDSS-2859 *Child Support Information Transmittal*. For more information see GIS 06 TA/DC024 (issued July 10, 2006) and 10-ADM-01, dated February 25, 2010, and entitled *Changes to Assignment of Rights and Child Support Distribution in Current Assistance Cases*.

Example 1 - Direct support received and budgeted

Jane Jones and her two children, ages seventeen and ten, apply for TA on January 15, 2010. Ms. Jones reported that she has no income other than the $250 monthly child support payment she receives directly from the father of the children on the first of every month. The first $200.00 of child support income must be disregarded when determining eligibility or standard of need since there are two children applying for TA. The remaining amount is applied as income.

Change in Child or Combined Child and Spousal Support Pass-Through Amount:
Effective January 1, 2010, an amount up to the first $100.00 of current child or combined child and spousal support income assigned and collected each month by the child support enforcement program, or up to the current support obligation, whichever is less, must be paid as a pass-through payment to TA households with one child active on the TA case. The pass-through payment will increase to an amount up to the first $200.00 per month of current child or combined child and spousal support income assigned and collected each month by the child support enforcement program, or up to the current support obligation, whichever is less, for TA families with two or more children active on the TA case.

Example 2 - Active case - assigned support

Tonya Raven and her three children, ages ten, eight, and four, are currently on TA. Ms. Raven currently has a monthly child support order of $300.00. Support payments have been collected regularly for the past seven months by the child support enforcement program. Ms. Raven has been receiving pass-through payments in the amount of $100.00 for each of those months. Effective for current support collected in January 2010,

the pass-through amount increases to $200.00, which will be issued in February 2010.

Determining Child or Combined Child and Spousal Support Pass-through and Disregard Amounts: When determining the appropriate pass-through payment and disregard amount for child or combined child and spousal support income, TA units must first confirm that the TA household is in receipt of child or combined child and spousal support and then determine the number of active children in the TA household. It is <u>not</u> necessary for the TA unit to consider which member of the TA household the support payments are received for when determining the pass-through payment and disregard amount.

Changes to IV-D MRB/A Eligible and Exception Lists (ROS only): Beginning with the February 2010 IV-D MRB/A process, the current monthly obligation for the IV-D case and the amount entered in the **EXEMPT** field for unearned income source code "13" in the ABEL budget for the current and two previous months will be reported to TA during that month's IV-D MRB/A process via the monthly *IV-D MRB/A Eligible and Exception* lists. The TA unit must review both the *IV-D MRB/A Eligible* and *Exception* lists. Both the *IV-D MRB/A Eligible* and *Exception* lists will have a third line added for each case to display these new amounts under four new fields. Respectively, they will appear under new headings that read as follows:

> **MONTH OBL** (Current Monthly Obligation)
>
> **EXMT 2** (The amount used for the **EXEMPT** amount during the month preceding the prior month's IV-D MRB/A process, identified to as "Previous 2")
>
> **EXMT 1** (The amount used for the **EXEMPT** amount during the prior month's IV-D MRB/A process, identified as "Previous 1")
>
> **EXMT CUR** (The amount used for the **EXEMPT** amount during the Current Month's IV-D MRB/A process)

For more information see ABEL Transmittal 09-5, issued October 8, 2009, under Information #3. Additional changes to the *IV-D MRB/A Eligible and Exception* lists will be released in a forthcoming Informational Letter (INF).

Change in Spousal Support Disregard Amount: Effective January 1, 2010, spousal support received by individuals as a result of an order providing only spousal support will no longer receive any disregard.

Note: This change does not apply to combined child and spousal support as previously defined in this Section.

Notices and Publications: Revisions have been made to required notices and publications. TA units must destroy all prior versions of the identified forms, notices and publications in Section V(B)(11) below and replace those documents with the versions of the documents included with this ADM. Related changes to the desk review process,

including forms, worksheets, instructions and letters, will be provided under a separate ADM.

F.   Transitional Employment Advancement Program Implications

Transitional Employment Advancement Program (TEAP) is a form of subsidized employment in which all or a portion of the TA benefits otherwise payable to the household are diverted to an employer for a designated period of time (not to exceed twelve (12) months) to support a paid work opportunity for a TA recipient. As discussed in 09-ADM-11, dated June 19, 2009, and entitled *Transitional Employment Advancement Program (TEAP),* the TA case for households which include an individual participating in TEAP, including those households that receive a $0 TA grant, remain open during the TEAP contract period and would therefore continue under an assignment of support rights and must cooperate with the child support program to establish paternity and establish, modify, and enforce orders of support consistent with other open TA cases. TA cases that include an individual participating in TEAP are eligible to receive a pass-through payment, which is disregarded from the TA budget to the same extent as in other TA households.

G.   Food Stamps

The Food Stamp policy regarding the treatment of pass-through payments has not changed; only the maximum amount of the pass-through that must be treated as income for Food Stamp purposes for households with two or more children for whom support payments are being received has changed. For households with two or more children for whom support payments are being received, the first $200.00 of current support payments that are passed through to the TA recipient is countable as income for Food Stamp purposes. The remainder of child or combined child and spousal support payments received by the IV-D program under an assignment continue to be excluded as income to the Food Stamp household.

For households with one child in the household for whom support payments are being received, the policy remains unchanged from that stated in 08-ADM-08. As noted above, the pass-through amount for families receiving support payments for one child remains at $100.00, and it is only this pass-through amount of the support payment that is counted as income for Food Stamp purposes. The remainder is excluded.

H.   Medicaid

As discussed in 08-ADM-08, effective October 1, 2008, for Low Income Families (LIF), Single Individuals and Couples (S/CC), and Aid to Dependent Children (ADC) budgeting, the first $100.00 of current total household support payments is disregarded, including support payments collected and paid to the family by the child support enforcement program in any month. There will be no change to the $100.00 disregard for purposes of MA budgeting. Households that are TA eligible will still remain eligible for MA.

The Medicaid Automated Budget and Eligibility Logic (MBL) system support is now available and is budgeting the $100.00 disregard where the additional deduction affects eligibility when doing LIF, S/CC or ADC budgets.

I.   Foster Care

For purposes of Title IV-E Foster Care and Non-IV-E Foster Care, there is no impact to the program.

J.   Child Care

For purposes of Child Care, there is no impact to the program.

V.   Required Action

A.   Child Support Enforcement

1.   Reviewing the Monthly Disregard Informational Listing

a.   SCUs are to continue to review the monthly CSMS produced *Disregard Informational List for $100 Disregard-Accounts with Negative 71 or 72 Payments*, as discussed in the *Dear Colleague* Letters dated June 15, 1990, August 6, 1992, and October 26, 1993. The listing, which is produced by CSMS at the end of each calendar month and stored on the Computer Output to Laser Disc (COLD) system, includes accounts on which a negative batch 71 or 72 was processed for a disregard eligible ledger or at case level.

b.   The accounts listed on the report must be reviewed to determine if the negative payments affect the amount of pass-through payment created during the IV-D MRB/A process. Where the negative 71 or 72 payment transaction will affect the amount of pass-through payment, the SCU must use the procedure outlined in Section V(A)(3) to advise the TA unit so that the pass-through payment can be issued appropriately.

2.   Reviewing the Monthly MRB/A IV-D Exception List

a.   After the monthly IV-D MRB/A process is completed, pass-through payments which could not be processed due to criteria within CSMS will be reported on the *MRB/A IV-D Exception* list. SCUs must obtain this sub-portion of the *IV-D MRB/A Exception* list through their local SSD BICS operator.

b.   Where a case is reported on the *MRB/A IV-D Exception* list, SCUs must perform the required actions on the CSMS account to resolve the situation and to determine whether there are assigned support collections applied to disregard eligible ledgers which should result in the issuance of a pass-through payment for the current month or any past months that have been

impacted by required actions. Where the SCU determines after the CSMS account has been resolved that assigned support collections have been applied to disregard eligible ledgers and a pass-through should be issued, the SCU must advise the TA unit of the current support obligation amount and the current support collections applied to those disregard eligible ledgers so that the pass-through payment can be determined by the TA unit and issued appropriately.

3.   Advising TA Unit of Potentially Incorrect Pass-through Payment Amount

a.   Where the SCU determines that a pass-through payment is potentially incorrect or requires a determination through review of the monthly *Disregard Informational List* or the *IV-D MRB/A Exception* list, or for any other reason, the SCU must provide required information to the TA unit so that the TA unit can determine the actions necessary to correct the pass-through payment. The SCU must advise the TA unit by initiating a *Manual Child Support Pass-Through Payment Determination Worksheet* (**Attachment 1)** within five (5) business days of identifying that a review is necessary.

b.   The SCU must complete Part A of the worksheet as instructed. Part A of the worksheet will provide the required information necessary to assist the TA unit in determining the correct amount of the pass-through payment, including the total of the current obligation amount(s) and the amount of current support collections received for the month for each CSMS account with the same TA-CAN. Upon completion, the SCU must forward the worksheet to the respective TA unit to complete Part B.

4.   Receiving Requests from the TA Unit for Pass-through Payment Determinations

Where the TA Unit reviews the respective *IV-D MRB/A Eligible and Exception* lists, or a TA case under daily operations, and determines that a review of pass-through payment amounts must be conducted, a request for such review will be sent to the SCU (see Section V[B][9] below). The SCU must initiate the review by completing Part A of the *Manual Child Support Pass-Through Payment Determination Worksheet* (**Attachment 1)** within five (5) business days of receipt of the request and submitting the form to the respective TA unit**.**

B.   Temporary Assistance

1.   Determining Support Pass-through/Disregard Amounts

To perform the budgeting of the $100.00 and $200.00 pass-through payment and disregard amount, TA units must determine the number of children under the age of twenty-one who are active in the TA case. NYC WMS will be queried to automatically determine the number of active children under the age of twenty-one who are active in the TA case.

Note: For the purposes of determining the appropriate pass-through payment and disregard amount, a child is defined as any individual under the age of twenty-one who is an active member of the TA case, including those individuals subject to a pro rata or IV-D sanction. Additionally, EPs and heads of household who are under the age of twenty-one and on the TA case must be considered as a child for the purposes of determining the number of children in the TA household.

a. ROS

TA budgets with either unearned income source code "06" or "13" will require an amount of either $100.00 or $200.00 (if the case has more than one active child under the age of twenty-one) entered in the associated **EXEMPT** field of the ABEL input screen. The **EXEMPT** field will be used to determine the appropriate pass-through/disregard amount:

- TA families with one child under the age of twenty-one, who is active on the case or subject to a pro rata or IV-D sanction, must have an **EXEMPT** amount of **$100.00 entered in the TA ABEL budget input screen.**

- TA families with two or more children under the age of twenty-one, who are active on the case **or** subject to a pro rata or IV-D sanction, must have an **EXEMPT** amount of **$200.00 entered in the TA budget input screen.**

Note: The current $100.00 **EXEMPT** limit will still continue to be used for TA budgets with unearned income source code "06" that have a budget FROM date prior to January 1, 2010, even if a $200.00 **EXEMPT** limit amount is entered.

b. NYC

TA budgets with either unearned income source code "14" or "61" will be programmed to automatically exempt an amount of either $100.00 (if the case has one child under the age of twenty-one, who is active on the case or subject to a pro rata or IV-D sanction) or $200.00 (if the case has more than one child under the age of twenty-one, who is active on the case or subject to a pro rata or IV-D sanction).

- TA families with one child under the age of twenty-one, who is active on the case or subject to a pro rata or IV-D sanction, will receive an automatic exemption amount up to a maximum of $100.00.
- TA families with two or more children under the age of twenty-one, who are active on the case **or** subject to a pro rata or IV-D sanction, will receive an automatic exemption amount up to a maximum of $200.00.

2. **Cases with Assigned Support in the ABEL Budget**

    a. **ROS**

For TA cases with assigned support in the TA ABEL budget, the monthly IV-D MRB/A process will issue pass-through payments up to the first $100.00 or $200.00 where current child or combined child and spousal support income was collected. Households with child or combined child and spousal support income received by the child support enforcement program and reflected in the ABEL budget with unearned income source code "13" will receive a pass-through payment of up to the first $100.00 of current child or combined child and spousal support collected, or up to the current support obligation, whichever is less, if the budget contains an **EXEMPT** amount of $100.00. If the ABEL budget contains an **EXEMPT** amount of $200.00, the household will receive a pass-through payment of up to the first $200.00 of current child or combined child and spousal support collected or up to the current support obligation, whichever is less.

    b. **NYC**

For TA cases with assigned support in the TA ABEL budget, the monthly IV-D MRB/A process will issue pass-through payments up to the first $100.00 or $200.00 where current child or combined child and spousal support income was collected. Households with child or combined child and spousal support received by the child support enforcement program and reflected in the ABEL budget with unearned income source code "61" will receive a pass-through payment of up to the first $100.00 of current child or combined child and spousal support collected, or up to the current support obligation, whichever is less, if the case has one child under the age of the age of twenty-one, who is active on the case or subject to a pro rata or IV-D sanction. If the case has more than one child under the age of twenty-one, who is active on the case or subject to a pro rata or IV-D sanction, the household will receive a pass-through payment of up to the first $200.00 of current child support or combined child and spousal support collected or up to the current support obligation, whichever is less.

3. **Pass-through Payment Line for Collections of Assigned Support**

Effective February 2010, pass-through payments will be issued in an amount up to the first $100.00 or $200.00 of current assigned support collected, whichever is appropriate.

Automated pass-through payments issued as a result of the IV-D MRB/A process will be issued using Payment Type Codes "D1" in ROS or "70" in NYC. Pass-through payments issued manually must be issued using Payment Type Code "D1" and Special Claiming Category Code "N – Non-reimbursable" in ROS or "54" in NYC.

If the pass-through payment is made to the wrong individual, a payment to the correct individual must be issued immediately and recovery or recoupment from the incorrect individual must be made. Payment Type Code "56" (*Child Support Bonus Payment – Check Replacement*) must be used when manually issuing replacement pass-through payments in NYC.

4.   **Cases with Direct Support in the ABEL Budget**

    a.   **ROS**

Effective January 1, 2010, households with child support income reflected in the ABEL budget with unearned income source code "06" will have the benefit of up to the first $100.00 exempt from countable income for the household, if the ABEL budget contains an **EXEMPT** amount of $100.00. If the ABEL budget contains an **EXEMPT** amount of $200.00, up to the first $200.00 will be exempt from countable income for the household.

    b.   **NYC**

Effective January 1, 2010, households with child support income reflected in the ABEL budget with unearned income source code "14" will have the benefit of up to the first $100.00 exempt from countable income for the household, if the ABEL budget contains one active child under the age of twenty-one. If the ABEL budget contains two or more active children under the age of twenty-one, up to the first $200.00 will be automatically exempt from countable income for the household.

> **Example 3**: **Determining the Number of Children in the TA Household**
>
> A TA household that contains a mother (age 32) and two children (ages 5 and 7), is in receipt of child support and receives FA. The child support income is being paid to the mother directly. One child is in receipt of Supplemental Security Income (SSI). When entering the **EXEMPT** amount ROS in the TA ABEL budget input screen, the TA unit determines that there are two children under the age of 21 in the family. However, only one of those children is active on the TA case; therefore the TA unit enters **$100.00** in the **EXEMPT** field and enters the appropriate unearned income source code of "06." In NYC, the TA ABEL budget will only exempt **$100.00** from the amount input with income source code "14."

Note: SSI individuals are not active members of a TA household.

5. **Support Disregard Payment Line for Direct Support Received and Budgeted (Case Types 11, 12, 16, and 17) (ROS only)**

Effective January 1, 2010, to reflect the child support disregard amount, TA units must reduce the semi-monthly grant in an amount equal to $50.00 or $100.00 (or one-half of the disregarded amount), whichever is appropriate. TA units must authorize a recurring semi-monthly payment in the amount of $50.00 or $100.00 (or one-half of the monthly child support disregarded) using Payment Type Code "18" and Special Claiming Category Code "*P-FNP Payment*." Edits require that when a Payment Type Code "05" (*Case Recurring Grant*)" and a Payment Type Code "18" are entered in a case that the sum of their associated amounts must equal the semi-monthly or monthly grant amount in the stored ABEL budget. For case type "16" and "17" there is no need to write the disregard as a separate payment line. For more information see GIS 06 TA/DC024 and 10-ADM-01.

TA units must provide an underpayment adjustment for each month that support was received directly by the TA household and counted as income in the TA budget if the grant amount was based on only the $100.00 disregard in a month, or months when the disregard should have been more than $100.00 (January 2010, or later).

When providing an underpayment adjustment to cases due disregard payments, TA units must authorize the payment using Payment Type Code "18" and Special Claiming Category Code "*P-FNP PAYMENT*" in households that are case type 11 (*Family Assistance*) and 12 (*Safety Net Non-Cash Assistance [SNA-FP]*). For households in case type "16" (*Safety Net Cash Assistance [SN-CSH]*) or "17" (*Safety Net Non-Cash Assistance [SN-FNP]*), the special claiming code is not required.

6. **Transition for Budgeting the Increase in Child Support Disregard Amount – Directly Received Support**

TA households with support directly received and reflected in the ABEL budget with unearned income source code "06" in ROS or code "14" in NYC must have the benefit of up to the first $100.00 or $200.00, as appropriate, disregarded even if the ABEL budget is not recalculated to reflect the increased disregard amount until after January 2010.

Since the pass-through is an amount up to $100.00 through December 31, 2009, some households that become entitled to an amount up to $200.00 effective January 1, 2010, may be due an underpayment adjustment during the transitional period. This might occur during the time period when a correct income disregard amount of up to $200.00 was not applied to the TA budget. As soon as possible, but no later than the next client contact, TA units must review the ABEL budget to determine if an underpayment adjustment is due to the TA household.

For TA households where support is received by the household directly, TA units must manually update all ABEL budgets with an authorization "FROM DATE"

period earlier than 11/14/09, and if needed, issue an underpayment adjustment. A TA household will be due an underpayment adjustment if the:

● ABEL budget has a TA authorization period "FROM DATE" before 11/14/09 and a "TO DATE" of 1/1/10 or later; and
● TA household received child or combined child and spousal support payments directly for the month of January 2010, and any months thereafter, which is greater than $100.00.

In ROS, the TA unit must review the case and provide an underpayment adjustment by issuing the difference between what was issued as Payment Type Code "18" and what should have been issued as Payment Type Code "18," for each month beginning January 2010 where the household should have, but did not, receive the disregard amount of up to $200.00.

Note: The underpayment is not countable for Food Stamps.

Example 4 - Direct support received and budgeted

Joan James and her three children, ages 13, 8 and 3, apply for TA on November 11, 2009. Ms. James reported that she has no income other than the $300.00 monthly child support payment she receives directly from the children's father on the first of every month.

When determining the income eligibility of Ms. James' household on November 11, 2009, the date of case opening, the TA unit did a partial month budget for November 2009 and full month budgets for December 2009 and January 2010, counting the support in the TA budget. The full month budget authorization "FROM DATE" is December 1, 2009 and the "TO DATE" is January 31, 2010. Beginning November 11, 2009, and through January 2010, the budget reflected direct support paid directly to Ms. James. ABEL will have disregarded only the first $100.00 of current support in the ABEL budget for December and January. The TA unit must provide an underpayment adjustment for the additional $100.00 that is due to the household for January 2010 when the appropriate EXEMPT amount was not included in the ABEL budget. The underpayment is not countable for Food Stamps.

7.   **Updating Child Support Unearned Income Source Codes**

Once the TA unit becomes the beneficiary of an order of support (i.e. direct support becomes assigned support), the district must immediately change the unearned income source code "06" in ROS or code "14" in NYC to unearned income source code "13" in ROS or code "61" in NYC, and not wait until the expiration of the effective date of the current TA budget.

The effective date of the new stored budget must be the first day of the month following the month in which the SCU notifies the TA unit that support is being

directed to the district and the agency is now the beneficiary of the support order. The SCU must notify the TA unit of this information through the LDSS-2859 *Child Support Information Transmittal*. (See 10-ADM-01). For the month in which the SCU notifies the TA unit that support is being directed to the district and the agency is now the beneficiary of the support order, the TA unit must do an underpayment adjustment as appropriate to account for the loss of the directly received support and the effect it has on the amount of assistance the household is eligible to receive. The underpayment adjustment must be issued as Payment Type Code "07" (*Underpayment Adjustment*)..

The TA unit must evaluate how much direct support was received by the household in the month in which the SCU began collecting the assigned support. If the household received less support than what was budgeted as unearned income source code "06" in ROS or code "14" in NYC due to the agency becoming the beneficiary of the support order, the district must create a scratchpad budget which includes the amount of support actually received by the household in the month the support became assigned support. Compare the scratchpad budget to the stored budget and if an underpayment occurred, issue the difference as an underpayment adjustment for the month in which the support became assigned support.

In NYC, the TA unit must re-budget the case with the amount of support actually received by the household in the month the support became assigned support and, where an underpayment adjustment is necessary, provide the difference with a single issuance.

Note: For TA cases where the direct support was paid to the household by the child support enforcement program the TA unit may contact the SCU to determine the amount of support actually received by the household in the month the support became assigned support.

8.   **Budgeting Spousal Support**

Effective January 1, 2010, all TA recipients who have spousal support orders must have their spousal support income budgeted as unearned income source code "02" (*Alimony/Spousal Support [Non-Arrears]*) in ROS or new unearned income source code "68" (*Alimony/Spousal Support*) in NYC. Both income source codes will be counted as income for TA and Food Stamps. There will be no disregard applied.

a.   **ROS**

Alimony/Spousal support previously coded as "02" if paid to an individual by an NCP who is also ordered to pay child support on behalf of a TA applicant/recipient must be re-coded as unearned income source code "06" in order to provide the individual with an **EXEMPT** amount to which they would be entitled to receive. As of January 1, 2010, TA budgets will no longer apply any income exemptions to alimony or spousal support

entered in the ABEL budget as unearned income source code "02" and will therefore create a reduction in the TA grant effective January 1, 2010.

A listing of TA cases with unearned income source codes "02" and/or "06" was provided to ROS TA units in early November 2009 to assist districts in accomplishing this task.

b. **NYC**

If there is income from a spousal support order which is paid by an individual who is **not** paying child support on behalf of a child within the TA household or is budgeted as unearned income source code "14," the spousal support must be changed to unearned income source code "68." This action will result in a reduction in the TA grant effective January 1, 2010. Unearned income source code "68" will not apply any disregard or income exemptions to spousal support income.

A listing of TA cases with unearned income source code "14" was provided to NYC Human Resource Administration (HRA) at the end of October 2009 to assist in preparation for this change.

9. **Additional Responsibilities When Reviewing the Monthly IV-D MRB/A Eligible List (ROS only)**

When reviewing the monthly *IV-D MRB/A Eligible* list, the TA unit must compile a list of all cases that meet the following criteria and provide it to the local SCU:

- The TA case appears on the *IV-D MRB/A Eligible* list with *Special Alert "Q"*;
- The pass-through payment issued for the month is equal to $100.00; and
- The **EXEMPT** amount for the month of the support collection is $200.00.

Special Alert "Q" notifies the TA unit that a default pass-through payment was issued on the TA case in the current month's IV-D MRB/A process.

The list of cases that meet the criteria described above must be forwarded to the SCU **within five (5) business days of receipt of the *IV-D MRB/A Eligible* list**. As outlined in Section V(A)(4), the SCU will complete Part A of a *Manual Child Support Pass-Through Payment Determination Worksheet* for each case and send it to the TA unit to complete Part B of the worksheet.

Part B of the *Manual Child Support Pass-Through Payment Determination Worksheet* must be completed by the TA worker and all underpayment adjustments using the Payment Type Code "D1" must be issued **within thirty (30) calendar days of receipt of the worksheet from the SCU**. The completed worksheet must be maintained in the case record.

10. **Resolving Exceptions to the Monthly IV-D MRB/A Process**

The *IV-D MRB/A Exception* list must be reviewed monthly and the appropriate pass-through payment must be issued for each case that appears on the list. The TA unit is responsible to resolve all exceptions on the list <u>except those that appear with IV-D listed as the unit</u>. The exception list does not report Food Stamp amounts because the Food Stamp portion of the case has not been re-budgeted by the IV-D MRB/A process. TA units must resolve the exceptions and take necessary Food Stamp re-budgeting and/or reauthorization actions. **All exceptions must be resolved, appropriate manual authorizations completed, and pass-through payments issued by the twentieth (20th) calendar day of each month for support collected in the preceding month**.

Note: Amounts listed under the PREV1 and PREV2 fields on the *IV-D MRB/A Exception* list must be issued as a separate Payment Type Code "D1" for ROS or "54" for NYC when resolving the current month's exceptions.

11. **Temporary Assistance Notices, Forms, and Publications**

TA units must copy and distribute the revised forms, notices and publications attached to this ADM where indicated.

a. **LDSS-3677 Report of Support Collected**

Revisions have been made to the following automated TA notices which include changes to the pass-through payment amounts as discussed in this ADM.

- LDSS-3677 and LDSS-3677-SP, *Report of Support Collected* for ROS local districts (**Attachments 3** and **4**, respectively); and
- LDSS-3677 NYC and LDSS-3677 NYC SP *Report of Support Collected*" for NYC (**Attachments 5** and **6**, respectively).

The revised notices are in production.

b. **LDSS-4279 Notice of Responsibilities and Rights for Support**

Among the forms revised are the LDSS-4279 and LDSS-4279-SP, *Notice of Responsibilities and Rights for Support* (**Attachments 7** and **8,** respectively). The LDSS-4279 must be reviewed and completed by all TA applicants and recipients who are being referred to the SCU. TA units must inform TA applicants/recipients of their rights, responsibilities and benefits of their cooperation with the child support enforcement program by providing the TA applicant/recipient with the LDSS-4279.

The LDSS-4279 must be given to TA applicants and recipients at:

- Application;

- When there is a need for a new referral to the child support enforcement program, such as when a parent left the household, a pregnancy was verified, or a child joins the household;
- Whenever an individual wants to claim good cause; and
- At recertification, if there is a change in household composition, or a recipient wants to claim good cause or no longer wants to claim good cause.

The TA unit must ask the TA applicant/recipient to indicate on the LDSS-4279 if he/she does, or does not, claim good cause by checking the appropriate box. The TA applicant/recipient must sign and date the form. The TA unit must indicate that they have provided a copy of the form to the TA applicant/recipient by checking the appropriate box, and signing and dating the form. A copy of the form must be given to the TA applicant/recipient and a copy must be maintained in the case record.

c. **Changes to Official LDSS-4148 Series Publications**

Publications LDSS-4148A, LDSS-4148B, and LDSS-4148D, are three books provided to TA recipients that provide answers to most questions about TA, and the related program areas such as Child Support, Foster Care, Child Welfare, Child Care, and MA. The LDSS-4148A and the LDSS-4148B provide the recipients with specific information about the pass-through payment amounts. The LDSS-4148C does not.

12. **New TA Unit Responsibilities**

a. **ROS**

1. The TA unit must enter an **EXEMPT** amount in the ABEL input screen when using unearned income source codes "06" or code "13" for TA ABEL budgets calculated as of November 14, 2009 or later, with a "FROM" date of January 1, 2010, or later.

2. The TA unit is required to maintain and update the appropriate **EXEMPT** amount any time new information is presented to them by the client and/or SCU. The **EXEMPT** amount will be available on the *IV-D MRB/A Eligible and Exception* lists associated with the IV-D MRB/A process and transmitted to BICS/LDMIP districts monthly.

3. The **EXEMPT** amount must be determined at case opening, recertification, and anytime a change is made to the ABEL budget or household composition, including changes due to children turning twenty-one, but remaining in the household. Failure to maintain the appropriate **EXEMPT** amount may result in the TA case receiving an underpayment or overpayment.

An underpayment adjustment must be issued when the incorrect **EXEMPT** amount is stored in the TA ABEL budget and results in the TA household not receiving the maximum pass-through payment or disregard amount. The underpayment must be issued within thirty (30) calendar days of discovery of the underpayment.

If failure to maintain the appropriate **EXEMPT** amount results in an overpayment, the overpayment must be established and recoupment must begin.

4.   The TA unit must enter spousal support income in the TA ABEL budget as unearned income source code "02."

5.   The TA unit must enter child support and combined child and spousal support as income source code "06" or code "13," where appropriate.

6.   The TA unit must not adjust any pass-through payments which are issued as a result of the IV-D MRB/A process and are listed on the *IV-D MRB/A Eligible* list.

7.   Upon receipt of a *Manual Child Support Pass-Through Payment Determination Worksheet* from the SCU, the TA unit must complete Part B of the worksheet and all necessary underpayment adjustments or establishment of overpayments must be completed as described in Section IV(C) above.

8.   The TA unit is required to forward a list of cases that appear on the *IV-D MRB/A Eligible* list and meet the criteria described in Section V(B)(9) above with a *Special Alert "Q"* to the SCU to initiate a *Manual Child Support Pass-Through Payment Determination Worksheet* (**Attachment 1**) within five (5) business days of receipt of the *IV-D MRB/A Eligible* list. After the SCU completes Part A and submits the worksheet to the TA unit, the TA unit must complete Part B of the worksheet and must issue all necessary underpayment adjustments using Payment Type Code "D1" within thirty (30) calendar days of receipt of the worksheet from the SCU.

If any overpayments exist, overpayments must be established within thirty (30) calendar days of receipt of the worksheet from the SCU.

9.   The TA unit continues to be required to update the unearned income source code "13" any time new information is presented to them by the client and/or SCU. The assigned support amount used for the current month's IV-D MRB/A process will be available on the *IV-D MRB/A Eligible and Exception* lists associated with the monthly IV-D MRB/A process and transmitted to BICS/LDMIP districts monthly. In addition, the *IV-D MRB/A Eligible and*

Exception lists are available through the IV-D Inquiry selection on the ABEL menu on WMS. For more information refer to ABEL Transmittal 09-3, Information #3.

    b.   **NYC**

NYC HRA must enter spousal support in the TA budget as unearned income source code "68."

There are no other <u>new</u> worker responsibilities for NYC HRA staff.

C.   **Temporary Assistance Work Activities**

TA units are reminded that changes in the household's TA or Food Stamp benefits may require an adjustment in the maximum number of hours that an individual may be assigned to work experience. The maximum number of hours that an individual may be assigned to work experience is limited to the participant's combined TA budget deficit and Food Stamp allotment, if any, divided by the greater of the Federal or State minimum wage. However, in no instance may an individual be required to participate in work experience or other work activities for more than forty (40) hours per week.

TA units must evaluate changes in the household's TA or Food Stamp benefits, such as a decrease in the Food Stamp allotment which may occur as a result of an increase in the child support pass-through payment, to determine if an adjustment in the number of hours that an individual may be assigned to work experience is necessary and make any necessary adjustments in a timely manner.

D.   **Desk Reviews**

    1.   **Desk Review Pass-through Amounts**

SCUs and TA units must consider pass-through increases, effective January 1, 2010, when performing a desk review. A desk review is limited to an accounting of the collections and disbursements made during the calendar year in which the desk review is requested and the calendar year preceding the calendar year in which the desk review is requested. As such, TA units must consider the following when determining the appropriate pass-through payment amount(s) a TA recipient or former-recipient is entitled to:

- the first $100.00 of current support collected per month for families with one individual under the age of twenty-one, and up to the first $200.00 of current support collected per month for families with two or more individuals under the age of twenty-one January 1, 2010 and after;
- the first $100.00 pass-through payment for current support collections made in October, 2008 through December 31, 2009; and
- An amount up to a $50.00 pass-through payment for current support collections for periods before October 1, 2008.

Revisions to the desk review process, including changes to the pass-through payment amount, will be issued through a separate ADM. SCUs and TA units must continue to follow the procedures outlined in 06-ADM-16, dated December 16, 2006, and entitled *Desk Reviews of the Distribution of Child Support Payments*, and to use the related pass-through payment and cumulative excess support worksheets and instructions provided with 08-ADM-08. Additionally, SCUs and TA units must continue to use the revised forms, notices, excess current support worksheets and instructions with 09-ADM-21, dated November 13, 2009, and entitled *Temporary Assistance Excess Support Process and Procedures for Reviewing Cases that have Support Collections in Excess of the Temporary Assistance Deficit*, until further notice.

2. Desk Review Process and Forms

The changes to the pass-through payment amount require revisions to the desk review forms, calculation worksheets, worksheet instructions, and determination letters effective January 1, 2010. Revisions to these documents incorporating the changes to the pass-through payment dollar amounts discussed in this ADM, as well as additional changes to the desk review process, will be forthcoming in a separate ADM. Those revisions include:

- Improvements to the desk review process provided for in 06-ADM-16, including new letters for issues outside of the desk review process;
- Changes to the desk review forms, calculation worksheets, worksheet instructions, and the second-level determination letter provided in 08-ADM-08; and
- Incorporation of the changes to the desk review process for excess support, including the desk review request form and instructions, Calculations Worksheet Desk Review of Excess Current Support and instructions, and the first-level determination letter as provided in 09-ADM-21.

E. Child Support Forms and Website

1. Changes to OTDA Official Notices

As discussed in 10-ADM-01, and currently in use at local districts, revisions were made to the LDSS-3908 and LDSS-3908-SP, *Important Notice Regarding Child Support to Persons Applying for or Receiving Temporary Assistance or Foster Care Maintenance Payments Under Title IV-E* (**Attachments 9** and **10**, respectively), effective October 1, 2009, which included the changes to the pass-through payment amounts discussed in this ADM.

2. New York State Child Support Website

Information provided to the custodial and noncustodial parents on the New York State Child Support Website (newyorkchildsupport.com) has been revised to include the changes to the pass-through payment amounts discussed in this ADM.

F. Ordering and Availability of Forms and Publications

1. Ordering of LDSS Forms through OTDA

a. OTDA-876 Process

SCUs and TA units must request printed copies of the revised LDSS forms by completing and submitting an OTDA-876, *Request for Forms or Publications*, to:

> Office of Temporary and Disability Assistance
> BMS Document Services and Operational Support
> P.O. Box 1990
> Albany, New York 12201

Questions concerning ordering forms should be directed to BMS Document Services at 1-800-343-8859, ext. 4-9522.

b. OTDA Intranet Website

Documents may also be ordered through Outlook. To order the forms you must obtain and complete an OTDA-876 form electronically by going to the OTDA Intranet Website at: http://otda.state.nyenet/, then to Division of Operations and Program Support page and then to OPS E-Forms page, Bureau of Management Services section (this section contains the electronic OTDA-876). The completed OTDA-876 form may be e-mailed to: gg7359@otda.state.ny.us.

For a complete list of forms available for downloading, please refer to OTDA Intranet site: http://otda.state.nyenet/ldss_eforms/default.htm.

c. Via E-mail

For those who do not have Outlook but who have Internet access for sending and receiving e-mail, the Internet email address is: gg7359@otda.state.ny.us.

VI. Systems Implications

A. Child Support Enforcement

Several modifications have been made to the monthly pass-through/disregard process and CSMS to support the pass-through/disregard changes for both ROS and NYC. Effective with the January 29, 2010 CSMS month end processing, CSMS will no longer calculate the amount of the pass-through payment. Instead, TA is required to determine the amount of the pass-through payment and disregard that a family is entitled to under the statutory changes. As such, the following changes have been made to CSMS:

1. **Revisions to the Monthly Disregard Process**

CSMS is no longer calculating a disregard amount based on the DUE, APPLIED and a $100.00 cap. Instead, effective with the January 31, 2010, CSMS monthly disregard file, CSMS will provide WMS with four new collection fields, as follows. These fields will include the total amount for all accounts associated with the TA-CAN:

a. **Total paid for Disregard month**: This field provides the total of all payments (Batch types 50, 51, 52, 53, 54, 56, 57, 58 and 70's) received in the current month unless there is a 79 UNAP transaction from the prior month greater than 0. If there is a 79 UNAP transaction from the prior month greater than 0, then the sum of all current month 79 APP transactions (less any Batch types 55 or +75) applied to all disregard eligible ledgers plus any payments received after the CSMS month end accounting run through the calendar end of month is used. This field is <u>not</u> stored on the CSMS IVDHTM record (*History of Monetary Transactions Screen*) with a 98 DSGD transaction (see Section VI(A)(2) below).

b. **Prior month's payments:** This field provides the total of all payments received in the current month that were receipted in the prior month (Prior month). Those payments include CSMS batch types 50, 51, 52, 53, 54, 56, 57, 58, 71, 72, 74, and 77. This value is stored on the IVDHTM record with a 97 PDSG transaction (see Section VI(A)(2) below). The transaction date is the Prior month's disregard process date, while FIELD 1 represents the current disregard month. The total of Prior month's payments is stored in FIELD 2.

c. **2nd Prior month's payments:** This field provides the total of all payments received in the current month that were receipted in the month preceding the prior month (2nd Prior month). Those payments include CSMS batch types 50, 51, 52, 53, 54, 56, 57, 58, 71, 72, 74, and 77. This value is stored on the IVDHTM record with a 97 PDSG transaction (see Section VI(A)(2) below). The transaction date is the 2nd Prior month's disregard process date, while FIELD 1 represents the current disregard month. The total of 2nd Prior month's payments is stored in FIELD 2.

d. **Current month's collections:** This field provides the difference between the total paid for Disregard month in Section VI(A)(1)(a) above and the sum of the Prior month's payments in Section VI(A)(1)(b) above and the 2nd Prior month's payments in Section VI(A)(1)(c) above. This value is stored on the IVDHTM record with a 98 DSGD transaction (see Section VI(A)(2) below). The transaction date is the current month disregard process date. FIELD 1 is blank and FIELD 2 is the total current month's collections.

Note: In order to be eligible for a pass-through payment, an account must have an eligible ledger, which include: 21A---, 23A---, 21BP--, 23BP--, 21BR--,

23BR--, 21CA--, 23CA--, 21CP--, 23CP--, 21CR--, and 23CR--. Additionally, an account must have a CASE STAT on the CSMS IVDJCA record equal to "1" (*Active TANF or IV-E*); "7" (*Active Safety Net; never TANF/IV-E*); "8" (*Active Safety Net; former TANF/IV-E*); or "0" (*Former TANF/IV-E*); "4" (*Active MA only; never TANF/IV-E*), "6" (*Active MA only; former TANF/IV-E*), or "9" (Former MA; *never TANF/IV-E*), when the CASE STAT becomes either "0," "4," "6," or "9" in the current pass-through payment processing month.

2. CSMS IVDHTM Screen Changes

Below is an example of the IVDHTM record reflecting the money transactions for the new disregard process. The disregard month is March 2010. There is a 2nd Prior month receipted payment for January 2010, a Prior month receipted payment for February 2010, and a Current month receipted payment for March 2010 .

```
-IVDHST AB12345C1 ALBANY COUNTY* ASCU MONETARY * 04/01/10 10:26:56
RESP: DOE, JOHN              CLI: DOE, JANE              #TRANS 005
TC TYPE  DATE  BATCH   PAID  DUE   APPL  DISB   FIELD1      FIELD2
69 DUE   02 26 10             252.00             21AW        686.00
98 DSGD 02 28 10                                              0.00
   PYMT 012710 0301A04  150.00
   PYMT 022510 0301A09  150.00
   PYMT 031710 0317A01  200.00
79APP    032610                   500.00
69 DUE   03 2610              252.00             21AW        436.00
97 PDSG  013110                             03/10           150.00
97 PDSG  022810                             03/10           150.00
98 DSGD  033110                                            200.00

 KEY _____PAGE 001 OF 001 XMT/PASSOFF -> ____ <-
```

3. Change in Disregard Informational Lists Reports

a. Discontinued Disregard Reporting Sections

As discussed in the "Dear Colleague" Letters dated June 15, 1990, August 6, 1992, and October 26, 1993, CSMS currently produces the *Disregard Informational Lists* report that was sent to BICS and stored on COLD. The report included five sections. Effective with the January 29, 2010 CSMS month end processing, the following four sections of the report were discontinued:

- $100 Disregard-Disregard Applied Greater than Ledger Applied;
- $100 Disregard-S25 Accounts;
- $100 Disregard-Greater than Current Month Applied; and
- $100 Disregard-Accounts with Aged Payments.

b. Continuation of Negative 71 or 72 Payments Section

One section of the report will remain as the *Disregard Informational List*:

- $100 Disregard-Accounts with Negative 71 or 72 Payments.

The report is produced monthly following the CSMS disregard processing. The list will continue to be sorted in alphabetical order by custodial parent name and will include the CSMS account number, the TA-CAN, the custodial parent CIN, and the custodial parent's social security number. The monthly report is stored on COLD. The COLD report name is *DISREGARDINFLISTS.*

B. Temporary Assistance and Food Stamp WMS

1. ROS

Beginning with the February 2010 IV-D MRB/A process, ROS systems will automatically update the Monthly Obligation and **EXEMPT** amounts on ABEL at each month's IV-D MRB/A process based off of the most recent information available at the time of the IV-D MRB/A process. The Monthly Obligation (unearned income source code "13") will be updated from the current amount available from the CSMS file. The **EXEMPT** amount will be updated based off of the current case information available in WMS at the time of the IV-D MRB/A process.

2. NYC

Effective February 2010 for January child support collections listed in the monthly CSMS disregard file, WMS ABEL programmers will utilize the newly established child criteria to determine the number of eligible children for each household then pass through either $100.00 maximum for one child, or a maximum of $200.00 for households with two or more qualifying children. The amount to be issued will be based either on the monthly support obligation, the amount collected or the $100.00/$200.00 maximum based on household size. A single issue transaction will be generated to issue the benefits to the household via the Electronic Benefits Transfer (EBT), and the cases will be budgeted prospectively to apply the amount allocated (up to the maximum) to the Food Stamp budget.

Effective February 2010 (02/A/2010), WMS will also be updated to automatically disregard up to $100.00 or $200.00 per household for combined child and spousal support (income source codes "14" and "61").

CSMS collection and obligation information as identified on the CSMS disregard file will be forwarded to NYC HRA via a secure server for manual budgeting. For households in receipt of Family Arrears income for two or more successive months, the amounts will be averaged and budgeted as recurring income.

VII. Additional Information (Optional)

Fiscal Claiming Instructions

Please refer to the Fiscal Reference Manual (FRM), Volume 2, Chapter 3, for pass-through and disregard payment claiming instructions. The February 2010 update to the FRM reflects the change to the pass-through and disregard amounts.

VIII. Effective Date

This ADM, providing for changes to the pass-through and disregard process, and the revised documents implementing those changes attached hereto, are effective immediately. For the child support enforcement program, the system changes for determining the pass-through payments became effective with the January 29, 2010 CSMS month end processing. For the TA program, the issuance of the pass-through payment and disregard amounts as revised under Phase II of the legislative changes became effective with the February 2010 monthly IV-D MRB/A process.

Issued By
Name: Scott E. Cade
Title: Deputy Commissioner and Director
Division/Office: Center for Child Well-Being
                         Division of Child Support Enforcement

Issued By
Name: Russell Sykes
Title: Deputy Commissioner
Division/Office: Center for Employment and Economic Supports