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August 8, 2000

OWF/PRC Guidance Letter No. 29

TO: Directors, County Departments of Job and Family Services
Directors, County Public Children Services Agencies
Directors, Child Support Enforcement Agencies

FROM: Jacqueline Romer-Sensky, Director

SUBJECT: OHIO WORKS FIRST (OWF) TIME LIMITS: TERMINATIONS DUE TO THE 36-MONTH LIMIT AND MANAGEMENT TOOLS FOR THE 20% LIMIT ON HARDSHIP EXTENSIONS

The purpose of this guidance letter is to provide information on the upcoming OWF time limit termination and reduction process including how hardship extensions will be processed and the types of management information that will be available to track the 20% hardship limitation.

OVERVIEW

In accordance with Section 5107.18 of the Ohio Revised Code, an assistance group is ineligible to participate in OWF if the assistance group includes an adult who has participated in the program for thirty-six months, regardless of whether the thirty-six months are consecutive. The first group of OWF families affected by the 36-month limit will receive their 36th OWF payment in September 2000.

There are two types of families that this policy will impact: families that include a parent(s) and their child(ren) (see below for the impact on three-generation families); and families that include a specified relative in the OWF payment along with related children who are not their biological or adoptive children (e.g., a grandmother receiving OWF for herself and her grandchild). Unless the CDJFS grants an OWF extension due to hardship, OWF assistance for the family at the end of the 36-month period will be either terminated or reduced, depending upon the type of the OWF family. Families that include parent(s) and child(ren) will have their OWF cash assistance terminated at the end of the 36-month time limit, while families that include a specified relative in the OWF payment with a related child will have their benefits reduced with the removal of the specified relative's needs from the assistance payment.

Treatment of an assistance group (AG) in receipt of OWF that includes three generations (e.g., grandmother, minor mother, and minor mother's child): Unless the CDJFS grants an OWF extension due to hardship, OWF assistance for this family will be terminated at the end of the 36-month time limit because the assistance group includes an adult head-of-household that received 36 months of OWF assistance.

Subsequent applications for any of the original assistance group members, as long as the living arrangement stays the same (i.e., they all continue to reside in the same household), would be denied unless hardship exists or the minor parent no longer meets the definition of minor child,¹ because the AG composition would be the same and this AG includes an adult head of household who received 36 months of OWF assistance.

Months of receipt of assistance are not tracked separately for the minor children, including the minor parent. As a result, if all other eligibility requirements are met, AND they no longer reside with an adult with 36 countable months who's required to be included in the same AG, the minor children would not be denied OWF participation due to expiration of the time limit in a new assistance group.

OWF TIME LIMIT TERMINATION AND REDUCTION PROCESS

Following is a description of the monthly process that will occur within CRIS-E each month as a result of the 36-month time limit. Please note that the CRIS-E changes reflected in this letter are in the process of development, so some of the details may change based on programming and testing outcomes. Further information will be released via CRIS-E bulletins as the programming is finalized.

Termination/Reduction Process²

A monthly mass change, (following cut-off for the next recurring month), will be run to identify and terminate or reduce OWF assistance for all OWF assistance groups who will reach the 36-month limit. This OWF mass change process will include all OWF assistance groups regardless of their pending or FIAT status. Immediately following this mass change to terminate or reduce OWF assistance to affected assistance groups, a second mass change will be run to adjust the Food Stamp benefits and continue Medicaid for assistance groups whose OWF benefits are terminated. This second mass change will bypass all Medicaid and Food Stamp assistance groups that are in pending or FIAT status. Workers will receive appropriate alerts to rerun eligibility.

If the assistance group requests a state hearing within the 15-day prior notice period due to

¹ When the minor parent is age 18 and not in school, she no longer meets the statutory definition of minor child, therefore, even if she still resides with her parent and/or sibling, she is no longer a required member of that standard filing unit and she and her child are potentially eligible for OWF in their own AG.

² For time-limit reductions, CRIS-E programming will use the participation status of "ER" (eligible relative) to identify specified relatives for the mass change process.

reaching the 36-month limit, OWF payments will continue pending the hearing decision. These assistance groups will be excluded from the county's 20% hardship limit.

County Options

Each county has two options concerning the hardship determination:

(1) Prior to the mass change to terminate or reduce, a CDJFS may determine that an assistance group meets the county's criteria for a hardship extension.

The need for a hardship extension can be initiated by either the CDJFS or the assistance group. A CDJFS may determine that an assistance group meets the county's criteria for a hardship extension prior to the mass change. A new application for OWF is not a requirement because the assistance group is still in receipt of OWF; however, each CDJFS should ensure that all necessary documentation to support the hardship determination is included in the assistance group record. A CDJFS may grant a hardship extension to an assistance group only if the assistance group continues to meet all OWF eligibility requirements contained in the federal law and regulations, the Ohio Revised Code and the Ohio Administrative Code.

Once a CDJFS determines that an assistance group is eligible for an extension due to hardship, the information must be entered in CRIS-E so that OWF benefits for the assistance group can be authorized. Hardship extensions must have begin and end dates and those dates must be entered in CRIS-E for each hardship extension span. County-specific codes identifying the reason for each category of hardship extension must also be entered. These codes will be described later in this document. These codes will be used to produce county and state management reports to identify the number of assistance groups currently in receipt of a specific hardship extension by category and to fulfill the requirements of ORC 5101.80(A)(11) which requires ODJFS to report to the legislature information on individuals who have been exempted from the time limits and the reasons for the exemptions. Instructions will be issued in the near future on entry of the county-specific codes.

The hardship span and identifying reason code will be entered by the CDJFS on the new TLER CRIS-E screen. After the hardship extension span and identifying code is entered on the TLER screen, eligibility for the assistance group must be rerun. As part of the monthly mass change, CRIS-E will send a notice advising the assistance group that a hardship extension has been granted which will include the begin and end dates for the extension. The notice will also advise the assistance group of the continuation of Food Stamp benefits and Covered Families and Children Medicaid (MA-C) benefits with no change.

Tentative plans are that workers will have the ability to enter hardship spans on the new TLER screen by the end of July/early August. It should be noted that no notices advising assistance groups of continued eligibility due to hardship will be issued until the first mass change is run at the end of August.

It should also be noted that due to statutory language, hardship cannot be denied until after the assistance group has received 36 months of OWF assistance and the denial could be effective no earlier than the beginning of the 37th month. For instance, the CDJFS cannot deny hardship before 10/1/2000 for families that receive their 36th month of OWF in September prior to 10/1/2000. If a CDJFS determines that the assistance group does not meet the county's hardship criteria or a CDJFS does not elect the option to enter hardship spans prior to the mass change, at the time of the mass change a notice will be sent indicating OWF benefits will be stopped due to the 36-month time limit and that the assistance group can not get any more payments unless they qualify for a hardship [see section (2) below]. This notice will also include information concerning their Food Stamp and Medicaid eligibility.

Reference Legal Brief 00-02 for guidance concerning OWF time limits and hardship determinations. Each CDJFS must make their hardship criteria available to assistance groups and to the public. Because there are possible equal protection and due process issues that could arise, we recommend that the CDJFS discuss the hardship criteria with their county prosecutor.

(2) After OWF for the assistance group is terminated(or reduced) by the mass change, a CDJFS may determine that the assistance group meets the county's hardship criteria.

A CDJFS may also choose to make a hardship determination after the monthly mass change has occurred or any time thereafter. The need for a hardship extension can be initiated by either the CDJFS or the assistance group. Once assistance has been terminated by the mass change, a reapplication for OWF is required. A CDJFS may grant a hardship extension to an assistance group only if the assistance group continues to meet all OWF eligibility requirements contained in the federal law and regulations, the Ohio Revised Code and the Ohio Administrative Code. If the hardship extension is granted anytime after the assistance group is terminated by the mass change, the following would need to occur:

- ❑ During the rerunning of the assistance group, at the time the assistance group fails due to reaching the 36th month limit, CRIS-E will drive the worker to the TLER screen for entry of the hardship span. After entry of the span, CRIS-E will allow the worker to "pass" the assistance group with the appropriate county-specific reason code.

CRIS-E will send a notice advising the assistance group that OWF has been approved due to a hardship extension, and the begin and end dates for the extension will be included in the notice. The notice will also advise the assistance group of any change in Food Stamp benefits and that Covered Family and Children Medicaid (MA-C) benefits will continue with no change. Each CDJFS should ensure that all necessary documentation to support the hardship determination is included in the assistance group record.

If a CDJFS determines that the assistance group does not meet the county's hardship criteria, no information is entered on the TLER screen. When the case is rerun in CRIS-E, the assistance

group will fail eligibility. CRIS-E will send a notice advising the assistance group that OWF has been denied because they do not meet the county's hardship criteria. The notice will also advise the assistance group of the continuation of Food Stamp benefits and Covered Family and Children Medicaid (MA-C) benefits with no change.

HARDSHIP CRITERIA

Changes During the Hardship Span

It is possible for a CDJFS to choose to shorten the hardship span due to a change in the county's overall hardship criteria or if the individual assistance group's hardship condition ceases. Dependent upon the date the hardship ceases, the worker would either modify the end date of the hardship span for the assistance group on TLER or terminate/reduce on line in CRIS-E instead of through the mass change process. In either case, a CRIS-E notice will be sent to the assistance group advising them that their OWF benefits will be reduced or terminated due to the expiration of the hardship extension. The notice will also advise the assistance group of any change in Food Stamp benefits and that Covered Family and Children Medicaid (MA-C) benefits will continue with no change. Note: The worker does not need to shorten/modify the end date of the hardship span on TLER for an online termination/reduction or if the assistance group becomes ineligible due to a reason not connected with meeting the hardship criteria (for instance the assistance group moves out of state or the only eligible child leaves the home). In these instances, after CRIS-E is rerun to close the case, the system will update the end-date on TLER automatically.

Hardship Span/Intercounty Transfer

When an assistance group that is in receipt of OWF due to hardship moves from County A to County B:

- The assistance group is transferred to County B, if otherwise eligible in accordance with OAC 5101:1-1-14,
- OWF eligibility for the assistance group continues until County B makes a determination of whether the assistance group meets County B's hardship criteria, and;
- Once the assistance group is transferred, the assistance group counts toward County B's 20% hardship limitation.

Process At End Of Hardship Span

Unless a one-month hardship span is entered, CRIS-E will send an alert to the worker 45 days prior to the end of an existing hardship span. This alert is being sent to provide the worker with additional time prior to the hardship span ending. A CDJFS may decide to extend the end date of the extension based upon the assistance group's circumstances, or a CDJFS may decide to let the assistance group's benefits be terminated or reduced by the mass change due to the expiration of the hardship span.

If a CDJFS chooses to extend the hardship span before the mass change is run, the end-date of the hardship span for the assistance group must be modified on TLER. A CRIS-E notice will be sent to the assistance group advising that the hardship time period has been extended and will list the new end date for the extension. The notice will also advise the assistance group of the continuation of Food Stamp benefits and Covered Family and Children Medicaid (MA-C) benefits with no change.

If a CDJFS chooses not to extend the hardship span before the mass change is run, OWF will be terminated or reduced effective with the end-date of the hardship span. As part of the mass change, a CRIS-E notice will be sent to the assistance group advising them that their OWF benefits will be reduced or terminated due to the expiration of the hardship extension. The notice will also advise the assistance group of any change in Food Stamp benefits and that Covered Family and Children Medicaid (MA-C) benefits will continue with no change.

If the assistance group requests a state hearing within the 15-day prior notice period due to the expiration of their hardship period, OWF payments will continue pending the hearing decision. These assistance groups will be excluded from the county's 20% hardship limit.

NOTE: A CDJFS may reopen the OWF assistance group and enter a hardship span at any time in the future that a CDJFS finds that the assistance group meets the CDJFS criteria for a hardship extension and is otherwise eligible. This applies to an assistance group that has been terminated (or reduced) for one or more days, one month, several months or several years. At any time after the initial 36 months of OWF, the assistance group may request an extension, and a CDJFS may determine that the assistance group meets their hardship criteria. There is no requirement that a hardship extension(s) must be applied within any time parameter, other than a hardship extension cannot be applied until the initial 36 months have been exhausted.

IMPLICATIONS FOR OTHER PROGRAM BENEFITS WHEN OWF IS TERMINATED OR REDUCED

Food Stamps

Food Stamp categorical eligibility will continue until the next reapplication for assistance groups who are terminated due to the time limit. The mass change will adjust the amount of Food Stamp benefits for which the assistance group is eligible as a result of the loss or reduction of the OWF payment.

Also, beginning August 1, 2000, if any member of a Food Stamp assistance group is authorized to receive or is receiving a Prevention, Retention and Contingency (PRC) service, the assistance group is categorically eligible for food stamps, in accordance with rule 5101:4-2-02.

Medicaid

Medicaid (MA-C) eligibility will continue if the only change is the loss of OWF cash due to the time limit, as set forth in Chapter 5101:1-40 of the Administrative Code.

In addition, all Medicaid assistance groups continue to be subject to the Pre-Termination Review of continuing Medicaid in accordance with OAC 5101:1-38-011. Therefore, should a change occur in addition to the loss of OWF cash due to the time limit and the assistance group loses Medicaid (MA-C) eligibility, the Medicaid (MA-C) must continue without interruption until eligibility for any other Medicaid category, for every member of the assistance group, has been reviewed. CLRC must reflect that a Pre-Termination Review was completed, and the outcome of same, prior to terminating the MA-C. CRIS-E notices to the assistance group will advise the group of all changes (including 'no change') in OWF, Food Stamps and Medicaid.

Child Care Benefits

The 36-month OWF time limit does not affect eligibility for child care assistance. The assistance group may be eligible for continued child care benefits, if needed.

PRC Benefits And Services

The 36-month OWF time limit does not affect eligibility for PRC benefits and services. PRC can provide the types of benefits and services that can continue to help these families achieve self-sufficiency and stay out of crisis.

HUD-Assisted Housing

Families losing OWF due to the time limit may qualify for lower rent. Generally, in HUD-assisted housing programs (public housing, Section 8) a family's rent is 30% of its adjusted income or the minimum rent, whichever is higher. Depending on the program, the minimum rent is set by HUD, the housing authority or the private owner. HUD regulations contain a "hardship exception" to the minimum rent requirement. If a minimum rent has been set and the assistance group qualifies for HUD's hardship exception, the assistance group's rent is 30% of adjusted income even if it is less than the minimum rent. Some families may pay no rent under this regulation. Families must contact their landlord or housing authority to request HUD's hardship exception.

CRIS-E INFORMATIONAL NOTICES

Monthly Reminder

A monthly CRIS-E notice (AD42N1) is sent to all OWF assistance groups advising the head-of household of the number of months that they have received OWF and the number of months that they have left under the time limits. The notice also advises the assistance group that the 36-month OWF time limit does not affect the receipt of other benefits such as Medicaid, Food Stamps, Child Care, etc.

Warning Notices

In addition to the monthly reminder notice, a series of CRIS-E “warning” notices (AD44N1) will be sent informing assistance groups that if they continue receiving OWF benefits they only have 6, 4, or 2 months remaining. The purpose of these notices is to reflect the urgency of their situation. These notices will be mailed in colored envelopes in an effort to set them apart from other CRIS-E notices that they receive. The first mailing is planned for July 2000 and will be sent to assistance groups who have received 34 months of OWF cash. Beginning August 2000, all three notices will be sent to those assistance groups with 30, 32 and 34 months of OWF receipt respectively.

Housing Notice

A notice insert will be generated and mailed with all notices for families who are losing OWF eligibility (or are being reduced) as a result of the expiration of the 36-month time limit or the shortening/expiration of a hardship extension. This notice will inform families that might live in public

housing or Section 8 housing that they may qualify to pay less rent, due to their loss of OWF income. It also gives them information on HUD’s “hardship exception” and who to contact.

THE HARDSHIP LIMITATION

20% Limitation

In accordance with the provisions contained in Section 5107.18(E), a CDJFS may exempt not more than 20% of the average monthly number of OWF participants from the time limit on the grounds that the county department determines that the time limit is a hardship. The department is evaluating this requirement to determine if further regulatory actions will be needed to ensure compliance with this requirement.

18% Notification

In accordance with the provisions contained in Section 5107.18(F), the state will continually monitor the percentage of the average monthly number of OWF participants in each county that is extended due to hardship. When determining that the percentage in any county equals or exceeds eighteen percent, the department will immediately notify the county by “hard-copy” notice and via CRIS-E screens and reports. Hard-copy alerts will also be sent to the respective Account Manager and County Commissioners.

TOOLS FOR MANAGING THE 20% LIMIT ON HARDSHIP EXTENSIONS

New tools will be available to each CDJFS for managing the 20% limit on hardship extensions. The tools include new reports that will be created, as well as on-line CRIS-E screens.

CRIS-E Reports

Following is a summary of initial reporting capabilities that will be available in CRIS-E.

- 1) Assistance Groups projected to reach 36-month time limit during the next month and next three months (sorted by county, by caseload, by AG). The report will be run at month end. The report contains county number/name, caseload, Case, Cat, Seq, AG name, and totals by caseload/county/statewide.

Possible Utilization

To estimate how many and which specific AGs might be reaching their 36-month time limit and might need to be considered for extension under hardship.

- ② Assistance Groups reaching end of extension period during the next month and next three months (sorted by county, by caseload, by AG). The report will be run at month end. The report contains County number/name, caseload, Case, Cat, Seq, extension reason, AG name, and totals by caseload/county/statewide.

Possible Utilization

To estimate how many and which specific AGs will be reaching the end of their current hardship extension spans and might need to be reviewed for continued hardship extension.

1. Monthly projections of extendible AGs based on activity from October of prior year through current month-end of the current year (sorted by county, total for state). The report will be run each month end. The report contains county number/name, number of extendible AGs.

Note: This report would reflect the actual number of extendible AGs for the upcoming year in the report that is run at September month end. The report headings will reflect the fact that the numbers are projections until the report that is run at September month-end. This data will be utilized to update the new Extension Limits database for projected and actual extendible AGs.

Possible Utilization

Usable as a forecasting tool to estimate how many AG extensions under hardship each county (and statewide) will have available for the upcoming Federal Fiscal Year. Report of September month end will reflect the actual number of AG extensions under hardship that will be available for each county during the Federal Fiscal Year which begins on October 1.

- (A) Projected number of extendible AGs by county based on selected period of time (sorted by county, total for state). This report will be run by “request only”. The report contains county number/name, number of extendible AGs. The report is controlled by setting beginning mm/ccyy and ending mm/ccyy to include in the projection. (This is another version of the above report).

Possible Utilization

As an aid to the above report but desiring to look at different time frames then would appear on regular monthly report. (Maximum of a 12 month time span can appear on the report)

- (I) Monthly reporting of extensions by extension category (reason code). The report is sorted by reason code within the county. The report is run at month end. The report is by specific reason code within the county that lists the number of extension requests that have been entered for each of the categories of hardship (reason codes) extensions for the prior month that has just ended and the upcoming three months. The description of the reason code will also appear on the report.

Possible Utilization

As a tool to monitor the types of hardship extensions that are being entered by each county.

- (A) Report of actual benefits issued under hardship by county for prior month (sorted by county, statewide). The report will be run at month end. This report will summarize the total number of AGs that received benefits under hardship extension the prior month and compare it to the 20% pre-determined limit. The report will be generated from actual issuance information and not from the hardship extension requests entered through the TLER transaction.

Possible Utilization

As a tool to compare the actual number of AGs that were issued hardship benefits for the prior month against the 20% 'limit' number.

- (A) Extension limits/utilization number and percent (sorted by Account Manager, county). The report is run daily. The report contains all extension related summary information percentages and totals. This report would represent an end of the day look at the extension total numbers that would be available online through transaction TLEI.

Possible Utilization

It will be used to generate the 'Alert' to the county if they are at or over any of the state or county set alerting levels. These alert levels are state set at 18 and 20%. The county can set their own alert levels other than the 18 and 20% levels through transaction TLCL.

- ⑧ Extension limits - overrides by county (sorted by county). The report will be run at each month end. The report contains all extension related override information percentages, totals, and alert percentage levels.

Possible Utilization

Batch report of information that appears on transaction TLCL for each county.

- (A) Report of countability overrides by county for the prior month (sorted by county, by override worker). The report will be run at each month end. The report contains county number/name, worker ID/name, override type, and totals by county, for state.

Possible Utilization

Monitoring of countability overrides by workers that could alter the count of the number of OWF time limit related benefits received by an AG/individual.

On-line CRIS-E Screens

- TLCL: OWF Time Limits - AG Extensions; County Set Limits Maintenance/Query
This screen will show the comparison between state set limits and county set limits, as the county may want to set a lower limit for management purposes than the state limit of 20%.
- TLER: OWF Time Limits - AG Benefit Extension
This is the screen that is used by the worker to enter a hardship extension. For individuals without 'update' access, the screen will act as an inquiry screen to see if any extension span has been entered for a specific individual.
- TLEI: OWF Time Limits - County Benefit Extension
This screen shows a comparison of the total number of extendible assistance groups, the total number of assistance groups granted an extension, the total remaining (i.e., difference between total possible and total actually extended), and the percentage extended.

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- TLED: OWF Time Limits - County Benefit Extension; Detail By Assistance Group**
This screen lists assistance groups in the county with the begin and end dates for each, reason code for the extension, Case/Cat/Seq, and AG name.

- TLRU: OWF Time Limits - County Reason Code Maintenance**
This screen collects and maintains the county specific reason codes used to uniquely identify categories of hardship extensions for monitoring and reporting purposes.

- TLRI: OWF Time Limits - County Reason Code Inquiry**
This screen allows workers to inquire into the county's specific time limit extension codes.

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| c: | County Commissioners Association | Cheri Walter |
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